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A capital builder. Bovis Bovis Construction Ltd. Operating the fee system of building.

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Dollar higher; equities up 5.9

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GOLD lost \$6.5 to \$316.5

GLITS were firm but finished below the day's best

FT Industrial Ordinary Index

Equities were firm

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OPEC agreed to cut its oil production

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U.S. BUSINESSMEN appealed to Congress to reduce the deficit

FOOT AND MOUTH disease outbreak in Denmark

INTERNATIONAL HARVESTER president Warren Hayford resigned

BAT INDUSTRIES improved offer for Marshall Field

ROBERT FLEMING'S investment arm announced proposals to turn three investment trusts

MIDLAND BANK reported unchanged taxable profits of £232.2m for 1981

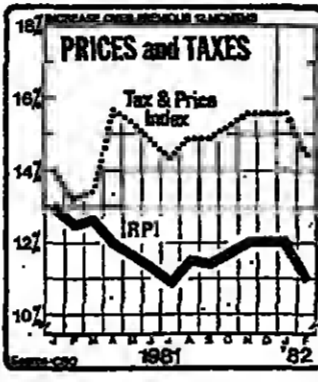
CHIEF PRICE CHANGES YESTERDAY

Table with columns for RISES and FALLS, listing various commodities and their price changes.

Retail price stability cuts inflation to 11%

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

THERE WAS no increase in retail prices between January and February. This is the first time this has happened for 12 years.



As a result, official figures showed yesterday that the annual inflation rate fell a full percentage point from 12 per cent to 11 per cent between the two months.

The year-on-year inflation rate is likely to come down further in March and April because the Budget measures added only 0.75 per cent to the Retail Price Index, compared with the 2 per cent which was added by last year's Budget.

The trend of manufacturers' wage costs, of the cost of supplies to industry and of factory-gate prices continue to be favourable to a reduction in the inflation rate.

The Retail Price Index for February stood at 310.7 (Jan 1974=100), almost the same as in January and 3.8 per cent higher than it was six months earlier. This was the best performance of the index since August 1970 when prices declined by 0.1 per cent.

smaller tax increases in the last Budget, the annual rate of increases of this index should fall more nearly into line with the inflation rate in the coming months.

The Government and the Treasury are predicting that the annual rate of inflation will be brought down to single figures before the end of the year.

A fall in the inflation rate for the next few months is seen as an important factor in influencing trade union expectations in the present wage round.

Throughout the winter the inflation rate had remained steady at about 12 per cent, after rising slowly from 10.9 per cent in July. The Treasury consistently predicted that the rate would start to fall again in the early part of the year, but the extent of the reduction and the relatively good prospects during the spring have come as a great relief to Ministers.

Thatcher threatens block on EEC farm price rises

BY DAVID TONGE

MRS MARGARET THATCHER, the Prime Minister, yesterday issued a clear challenge to France, and Britain's other EEC partners, when she warned that she would block any increase in EEC farm prices until an accord could be reached on limiting British contributions to the EEC budget.

"If we do not get a satisfactory solution of the budget, then we could not possibly agree to a settlement on the Common Agricultural Policy," she said, adding that by this she meant prices.

Lord Carrington, the Foreign Secretary, had seemed in January to back away slightly from an earlier warning that Britain might use the regular annual price review as a weapon in its battle over the budget.

Mrs Thatcher was speaking at a news conference at Hatton House, Buckinghamshire, after a day's talks nearby at Chequers with Chancellor Schmidt of West Germany.

The talks ended with Britain winning some support from Herr Schmidt on the EEC's need to prevent another serious budgetary crisis arising. But he discounted suggestions of a one-off-for-all solution, which Britain is pressing for.

This year, Britain's net contribution to the EEC could reach £622m.

The West German Chancellor also dashed any remaining hopes of a settlement of this, and the wider "mandate" discussions on EEC reform by Community foreign ministers at their meeting in Brussels next Tuesday, or by EEC heads of government at their summit on March 29 and 30.

On the contrary, he insisted on the need to avoid dramatising the budgetary debate, and for the EEC to deal with more grave world problems such as the effect of high U.S. interest rates and East-West relations.

It was the eleventh of the regular six-monthly West German-British summits. Apart from Community affairs, the two leaders also used it to prepare for the Western economic summit due at Versailles on June 4 to 6 and the Nato summit due in Bonn on June 10.

general disarray in fields such as oil prices, protectionism, and interest rates was "the deepest since after the war or the 1930s".

Mrs Thatcher described the atmosphere in the talks as "very successful and amicable" and at times even humorous.

Both leaders repeated their earlier condemnation of this week's announcement by Mr Brezhnev, the Soviet President, that he would stop deploying SS-20s—the intermediate range nuclear missiles pointed on Europe—west of the Urals. However, Herr Schmidt insisted that if the Geneva negotiation on such missiles did not reach any concrete result by the end of 1983, the West would have to deploy its Pershing and Cruise missiles in West Europe.

Turning to the controversial Siberia-Europe gas pipeline, both said they were now convinced that the U.S. would not stop or delay this project.

They said that the EEC would like the Soviet Union to pay higher interest rates on Western official credits.

Stone-Platt attracts interest

BY RAY MAUGHAN

THE RECEIVERS of Stone-Platt Industries, the engineering and textile machinery group, said yesterday that "already many approaches have been made for the sale of the business".

Two leading companies involved in railway and underground train equipment, Hawker Siddeley and Laird Group, are understood to have expressed interest in buying the whole or parts of Stone-Platt's electrical division. This takes in the railway air-conditioning operations at Crawley, Sussex.

Mr Ben Mackey and Mr Bill Roberts, the partners of Ernest and Whimsey who were appointed receivers on Thursday, said: "Negotiations which had previously been commenced by the company for the disposal of the textile machinery business based in Lancashire, together with its overseas associated companies, are being continued."

Stone-Platt's agreement to sell the iron-making subsidiary Platt Saco Lowell to the U.S. textile machinery servicing group John D. Hollingsworth on Wheels for £12.75m was a central factor in the group's proposals for a fresh injection of clearing bank and institutional finance.

These proposals were turned down by the four clearing banks concerned amid protests from the group's leading institutional shareholders, which indicated that they were prepared to put in further equity, but not until the autumn.

On the basis of the projections put forward by Stone-Platt to support its request for new funding the transport interests made profits of £3.4m before tax and interest last year, and were targeted to make £5m on the same basis in 1982.

Gross capital employed in this division would have been £15.1m by the end of this calendar year.

Hawker Siddeley has extensive interests in rail transport systems through its Westinghouse Brake and Signal subsidiary.

Transport systems provided about half Laird Group's pre-tax profits of £12.82m in 1980, and its Metro-Cammell subsidiary has won orders worth over £200m in recent years for the Hong Kong Mass Transit System contract on which it worked in conjunction with Stone-Platt.

Edwardes fears being 'a handicap' to BL

By Kenneth Gooding, Motor Industry Correspondent

SIR MICHAEL EDWARDES said yesterday he would become a handicap to BL if he stayed on as executive chairman for much longer.

After announcing that the group's net loss was reduced, in 1981 to £497m from £535.5m, Mr Edwardes dismissed his "highly visible" role at BL and the way the group's dealings with employees, the Government and other parts of the industry inevitably became personalised.

"From every point of view the man doing this job is the focus of love and hate and all sorts of emotions. You get to a point where the company would suffer if you stayed any longer."

"I would be a handicap to BL if I remained executive chairman for more than the five years. It would be detrimental to the company."

He said he would therefore give up the executive chairmanship when his £100,000 contract expires at the end of this year, "even though I am still enjoying the job."

Sir Michael insisted: "I feel more optimistic about the company's future today than at any time in the past four years. I believe that the targets for break-even will be achieved and that the company will cease to be a burden on Government and taxpayers."

"This has always been the board's main objective and it is evident that we are making real and sustainable progress towards achieving it."

He indicated that the group was on course to reduce last year's trading loss of £244.6m (down from £293.9m in 1980) to £143m this year; to break even at trading profit level in 1983; and to break even at pre-tax profit level in 1984.

BL would need no more Government funds apart from the £90m already committed plus the £150m it had indicated it would require. BL collected £520m from the Government last year in exchange for new shares and will get a further £420m in 1982. So far, none of this year's allocation has been drawn.

Continued on Back Page L2x, Back Page

Times' price frozen as Murdoch seeks to boost circulation

BY IAN HARGREAVES

MR RUPERT MURDOCH, fresh from his battle over the replacement of Mr Harold Evans as editor of The Times, plans to freeze the cover price of the newspaper "for another four or five years" in an effort to make inroads into the circulation of the Daily Telegraph and the Guardian.

Mr Murdoch, chairman of News International, the UK holding company, which owns The Times and other Fleet Street newspapers, plans to close the offices of The Times in Gray's Inn Road, moving staff to the nearby Sunday Times premises which Times Newspapers owns. He disclosed several other important elements in his plans for the ailing newspaper group.

Among these will be a joining of the advertising sales teams of The Times and the Sunday Times and early introduction of advanced technology printing equipment.

Mr Murdoch said Times Newspapers, which includes The Times, the Sunday Times and related publications, will lose £13m excluding redundancy costs in the financial year which ends in June, but he forecast the group would be in profit within three years.

Mr Murdoch refused to discuss in detail the reasons for his rift with Mr Evans, although he said that the former editor's spending levels had caused concern. "The main problems, he indicated, were alleged lack of consistency in editorial policy and Mr Evans' failure to sustain the confidence of his staff."

As for the question of The Times' independence from Mr Murdoch's own conservative opinions, he said the newspaper "should remain above any party politics and be as impartial as possible."

Murdoch's long march, Page 14

£ in New York

Spot \$1.9025-9065 \$1.9020-9045

1 month 0.22-0.25 pm 0.21-0.25 am

3 months 0.57-0.78 pm 0.58-0.75 am

12 months 2.45-2.66 pm 2.50-2.65 am

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OVERSEAS NEWS

Business appeal to Congress over Reagan deficits

BY DAVID LASCELLES IN NEW YORK

AMERICA'S TOP businessmen made an urgent appeal to Congress yesterday to reduce the huge deficits that loom in the Reagan Administration's budgets over the next few years...

The businessmen presented their views through Mr Theodore Brophy, chairman of General Telephone and Electronics, the U.S.'s largest independent telephone company...

Testifying to the Senate finance committee, Mr Brophy said that the Round Table could not accept the current stalemate over the budget because of what it was doing to interest rates, financial markets, employment and the economy in general.

Recession deeper than predicted

By Anatole Kalatsky in Washington

THE U.S. GROSS national product is declining at an annual rate of 4.5 per cent during the current quarter, according to preliminary estimates disclosed yesterday by the Commerce Department...

The budget forecast of 3 per cent growth between the fourth quarters of 1981 and 1982 looks increasingly unlikely to be realised.

The Commerce Department also issued its final revision of the fourth quarter 1981 GNP figures. These showed a fall of 4.5 per cent at an annual rate in GNP, a decline of 7.1 per cent at an annual rate in corporate profits after tax and an increase of 9.5 per cent in the GNP price deflator...

Paris meeting fails to resolve steel dispute

BY TERRY DODSWORTH IN PARIS

A TWO-DAY meeting on trends in the international steel industry ended in Paris yesterday after making no significant progress towards resolving the row over EEC steel exports to the U.S.

According to Mr Hans Collander, the Swedish ambassador to the Organisation for Economic Co-operation and Development (OECD), the differences between the two sides were discussed openly during the meeting of the organisation's steel committee...

The steel committee, which was formed three years ago in an attempt to co-ordinate rationalisation of the industry in the 24-nation OECD area, provided a good forum for informal discussions, said Mr Collander.



Lloyds Bank Home Loan Rate

With effect from the close of business on Thursday, 25th March 1982, Lloyds Bank Home Loan Rate will be reduced from 15% to 13.5% p.a. APR 14.2%

Lloyds Bank Plc, 71 Lombard Street, EC3P 3BS.



Mrs Margaret Thatcher yesterday met West German Chancellor Helmut Schmidt at RAF Benson airport. At left is Fran Lohr Schmidt and at right, Lord Carrington, the Foreign Secretary. In Bonn yesterday the West German Foreign Minister, Herr Hans Dietrich Genscher, has renewed his call to East Germany to work for a balanced and verifiable disarmament accord between East and West.

Odds even on Naples traffic jams

By Rupert Cornwell, recently in Naples

NAPLES TODAY is playing host to an international conference on ways of handling big city traffic. Six months ago, that would have been comparable with Messina...

Thanks to the simple device of allowing only cars with number plates ending with an even number on the roads one day, and odd ones the next, the place which has long embodied terminal urban collapse now has traffic which runs as smoothly, if not more so, than any European city of comparable size.

Although the administration which introduced this inspired and soothing reform is currently threatened by a peculiarly Italian scandal, the underlying morale of the city is on the up.

Not, of course, that it could have fared much lower after the trauma of the November 1980 earthquake which brought Naples to breaking point. Nothing, though, has done more to foster the new mood than the traffic experiment brought in last December by Sig Riccardo Bocca, the Naples Prefect.

Amazingly, in a city not famed for its discipline, few have sought exemption from the scheme. None—apart from taxi drivers and those working in vital public services—has been granted it.

One reason for compliance is a system of on-the-spot fines for offenders of L80,000 (£35). Even so, as Sig Antonio Scippa, the councillor responsible for traffic points out: "We could have had a massive civil disobedience campaign which would have ruined the whole thing."

A referendum carried out by Il Mattino in the Naples daily found 83 per cent of Neapolitans backed the restrictions. Even local traders, at first fearful of a slump in business, have come round to the idea. They have paid for advertisements harking the new pedestrian areas which have transformed busy shopping streets like Via Chiaia.

And no wonder. The earthquake which forced the closure of 200 streets in the cramped city centre, was the last straw. More often than not, after the catastrophe, Naples was utterly paralysed by seemingly endless traffic jams.

"We commissioned a study that showed that the delays were costing workers L350bn a year—100,000 a month per person," said Sig Scippa.

"The Neapolitan is no fool. He knows that three days of small sacrifice each week are more than made up for by the gains."

These include an average traffic speed up from 2.5 mph to 15 mph, a bus service which functions, less petty crime as police can intervene more speedily—and a little less tension all round.

The number of bus passengers has increased by 55 per cent since January, as a journey which formerly needed an hour now takes 10 minutes. But people are also starting to rediscover the subtler pleasure of the city.

Thailand ready for Kampuchea talks

BY KATHRYN DAVIES IN SINGAPORE

THAILAND HAS said it is ready for bilateral or multilateral discussions "at any level" which will bring about an international acceptable solution to the Kampuchean problem.

This new initiative represents a shift in policy by the front line states and comes amid signs that Vietnamese forces in western Kampuchea are preparing for a fresh assault against the Khmer Rouge.

The Thai Foreign Minister, Air Chief Marshal Siddhi Savetsila, told diplomats heads of mission in Bangkok yesterday that his country would maintain "all possible flexibility" in order to elicit a "meaningful response" from Vietnam.

The Vietnamese are believed to have between 150,000 to 200,000 troops stationed in Kampuchea, while forces loyal to the ousted Khmer Rouge regime number around 30,000.

The Thai fear that the fighting may spill over the border involving Thailand in the conflict. There have already been a number of incidents in which Vietnamese and Thai troops exchanged fire.

The Association of South East Asian Nations (Asean), of which Thailand is a member, maintains that a solution to the Kampuchean problem can only be achieved through broadly-based international talks.

Mahathir's man to chair Malaysia's biggest bank

BY WONG SULONG IN KUALA LUMPUR

DR NAWAWI MAT AWIN, head of the economic bureau of Malaysia's ruling Umno party, is to take over as head of Bank Bumiputera, the country's largest bank. This completes the massive board changes in Malaysian banks ordered by the new political leadership.

From April 1, Dr Nawawi will replace Tan Sri Kamarul Ariffin as executive chairman, and the latter will also quit the bank's board.

The chairmanship at Malayan Banking and United Malayan Banking Corporation—the second and third biggest banks respectively—has also been changed. Three other smaller Government-controlled banks have also seen major board changes.

This restructuring flows from Dr Mahathir Mohamed's appointment as Prime Minister last July. Under his predecessor, Tun Hussein Onn, the country's economy and financial affairs were handled largely by Tengku Razaleigh, the Finance Minister. He often bypassed Dr Mahathir, who on taking over, made it clear he wanted a direct interest in such matters.

Tengku Razaleigh's position was further undermined when he was defeated by Datuk Musa Hitam (since appointed Deputy Prime Minister) for the number two job in Umno last July.

Apart from wanting to see their own men in the financial sector, the Mahathir-Musa leadership sees banks as crucial in the achievement of the objectives of the New Economic Policy.

Dr Nawawi is a close political ally of Dr Mahathir, who also appointed him to the Umno Supreme Council—the top policy-making body in the country.

any United Nations role connected with the Camp David agreements. This is the first time such an international force has been assembled outside the auspices of the UN, and it is the first time that the U.S. has stationed any of its armed forces in the Middle East.

Pretoria plans to conscript coloureds

By Bernard Simon in Johannesburg

THE South African Government is likely to encounter strong opposition to proposals for a sweeping extension of military service, including conscription of Indian and coloured (mixed race) men and white women.

A Defence Force spokesman said yesterday that draft legislation outlining the new call-up commitments will probably be published early next week. He declined to comment on details of the Bill, but reports indicate that the net of military service is to be cast far wider than at present.

The chief of the Defence Force, Gen Constand Viljoen, said earlier this year that "we must be able to call on sufficient manpower so that no area of South Africa will be vulnerable to attack." Guerrilla attacks on police stations, other Government offices, railway lines and power facilities have increased markedly over the past year.

The new Bill is understood to propose conscription of Indian and coloured men according to a ballot system. The measure is bound to provoke bitter opposition from these groups, who do not have the vote and are discriminated against in numerous other ways.

Military obligations for whites are also likely to be substantially increased. Although the initial, full-time call-up period of two years will probably be unchanged, the number of days to be served after the initial period is likely to be at least doubled from the present 240 days over eight years.

According to Press reports, women will be liable for conscription while men up to the age of 60 will have to register with the Defence Force.

Several thousand supporters of Right-wing rebel Dr Aodries Treurnicht are expected to attend a rally in Pretoria today at which a new political party is likely to be formally established.

Indian jute strike fear

By P. C. Mahanti in Calcutta

JUTE trade unions claiming to represent over 7 per cent of a total workforce of 250,000 have called an indefinite strike from May 3.

The industry has rejected their demands for a 20 per cent bonus for new grades and scales of pay and for rationalisation of workloads. Only the Marxist-led union is hesitant at the moment to go along with the others for an all-out strike. It favours a day's token strike as warning for more drastic industrial action to follow.

It also supports the position of West Bengal's Marxist state Government that the workers should agitate for the total nationalisation of the industry to avoid the damaging economic impact of an indefinite strike.

Palestinians in W. Bank protest

BY OUR TEL AVIV CORRESPONDENT

PALESTINIANS IN the Israeli-occupied West Bank yesterday began a three-day general strike to protest against the dissolution of one of their two councils by Mr Ariel Sharon, Defence Minister.

Scattered demonstrations were reported, but the disturbances were mild compared with the unrest of the past two weeks.

Mr Sharon issued a statement defending the dismissal of Thursday of Mayor Ibrahim Tawil of El Bireh and his town council. Other West Bank mayors say the dismissal could be the start of an Israeli campaign to unseat them all.

Mr Sharon said Mr Tawil had been engaging in extraneous political activity instead of concentrating on running local services. Mr Sharon, who has appointed a team of Israeli military and civilian administrators to take over El Bireh's affairs, said the Government "could not stand idly by as the council ignored its duties to the population."

The strike was backed by most of the pro-Palestine Liberation Organisation (PLO) mayors. The West Bank virtually shut down, but as Friday is a Muslim holiday the mayors must wait until today to see how much real support their call receives.

SINAI PEACE-KEEPING FORCE

BY DAVID LENNON IN TEL AVIV

HUNDREDS OF U.S. paratroopers came running off the El Al passenger aircraft at Ophira airbase at the southern tip of the Sinai peninsula this week as troops from almost a dozen countries were hurried to the Middle East to set up a multi-national peace-keeping force.

Dressed in combat desert fatigues and wearing the peace-keeping force's terracotta-coloured berets, 632 soldiers from the crack U.S. 82nd airborne division marched nine miles to their desert base. From there they will patrol the eastern Sinai which Israel is to hand over to Egypt next month.

The U.S. is providing the largest contingent of the 11 countries which have agreed to supply military units to monitor the observance of the peace treaty between Israel and Egypt. Washington had to set up the force itself after it became clear that the Soviet Union would veto

any United Nations role connected with the Camp David agreements. This is the first time such an international force has been assembled outside the auspices of the UN, and it is the first time that the U.S. has stationed any of its armed forces in the Middle East.

The presence of the U.S. troops has raised speculation about the 82nd airborne division's possible future role in other American military activities in the region. The paratroopers are a part of the U.S. rapid deployment force set up by former President Jimmy Carter to combat Soviet penetration of the Middle East.

The base where they are being stationed lies only 60 miles away from the Saudi Arabian coast and within easy reach of its vast oilfields. However, the Commander of the U.S. paratroop battalion in Sinai said on arrival: "We do not anticipate any change in our mission. We are assigned to the multi-national force and we will follow its orders."

The 2,500-strong force also includes units of varying size from Britain, France, Holland, Italy, Australia, New Zealand, Fiji, Columbia and Uruguay, and a contribution from Norway of four people, including the force's commander, General Fredrik Bull-Hansen.

Foot and mouth threat to Danish meat exporters

BY HILARY BARNES IN COPENHAGEN

A NOUBREAK of foot and mouth disease in Denmark, can threaten this week, the country's vital animal products exports, which last year accounted for 31 per cent of total exports.

Other Nordic countries have banned imports of Danish fresh food products and the U.S. is holding Danish products at the ports. Several other countries have asked for further information on the outbreak before deciding what action to take.

The outbreak is so far confined to a single herd of 66 dairy cattle on the island of Funen. The herd was destroyed shortly after the disease was confirmed.

The property has been isolated and disinfected and no movement of animals is being permitted from properties in the surrounding area. No milk exports from Funen are being permitted unless the milk has been subjected to high-temperature pasteurisation, said the Ministry.

Funen is off the East coast of Jutland at the entrance to the Baltic. It is linked to Zealand by ferry services across the Great Belt.

Ministry officials say they have no idea what the source of the infection could be, but Dr Joergen Westergaard, the Government's senior veterinary inspector, thought the most likely cause was that the

disease was borne on the air from the European continent where "there was a tremendous amount of vaccination" during March.

The last outbreak of foot and mouth in Denmark was in 1970. In the mid-1970s Japan accepted Denmark as a foot and mouth-free area, opening up the Japanese market for exports of Danish meat. In 1980 the U.S. declared Denmark foot and mouth-free, which prompted several other countries in South America and also Korea to follow suit.

Total exports of fresh meat from Denmark last year were valued at Kr 12.5bn (\$252m), 11 per cent of merchandise exports, of which pigmeat accounted for Kr 9.4bn.

Denmark's major markets for pig meat are the UK, which imported 330,000 tonnes last year, followed by West Germany, 106,000 tonnes, Japan, 78,000 tonnes, and the U.S., 48,000 tonnes.

After the 1970 outbreak Denmark carried out a compulsory vaccination programme, but this was discontinued five years ago. Ministry officials said it was too soon to say whether it would be reintroduced.

The UK Ministry of Agriculture said yesterday it did not see the Danish outbreak as a major problem and that Danish meat imports, which account for around 44 per cent of British sales, were not likely to be affected. The curing process kills the virus, it said.

Washington inquiry into El Salvador killings

BY OUR WASHINGTON STAFF

THE WHITE HOUSE yesterday deplored the deaths of four Dutch journalists who were killed by Government troops in El Salvador while reporting on guerrilla activities. The U.S. embassy in San Salvador will conduct its own investigation into the circumstances surrounding the killings, the Deputy White House Press Secretary, Mr Larry Speakes, told reporters.

In The Hague, the Dutch Government announced that its embassy would make a detailed inquiry into the killings, which occurred during a 40-minute battle between Government troops and guerrillas, according to the authorities in El Salvador.

However, other journalists and friends of the Dutch newspaper in San Salvador have reported that the bodies showed multiple gunshot wounds at close quarters and signs of disfigurement. Only three guerrillas were killed in the battle.

The report of the killings came on the same day as the publication of a "death list" containing the names of 24 American and British journalists, who had been "sentenced to death" for their support of Communism by a shadowy extreme-Right wing group.

Although the four Dutch journalists were not on the list and there is no known connection between the death squad and the army, these two incidents have aroused renewed concern about the level of violence in El Salvador, and are proving a serious embarrassment to the U.S. Administration.

A statement from the El Salvador Government, while "deeply lamenting" the deaths of the Dutch journalists, warned others against "exposing themselves imprudently while travelling to areas where there might be danger from the activities of subversives that are sponsored by international Communism in the country."

Buckley reassures allies

BY JOHN WYLES IN BRUSSELS

MR JAMES BUCKLEY, the U.S. Undersecretary of State, yesterday rounded off a tour of European capitals with an assurance that the U.S. is not trying to wage a campaign against East-West trade through a tighter credits policy towards the Soviet Union.

During a two hour meeting with Nato alliance representatives, Mr Buckley apparently left the impression that the U.S. would now try to organise detailed consultations with four of five EEC countries plus Canada and Japan. Together these are the source of about 90 per cent of the credits to Moscow which the U.S. would like to see more severely restrained.

Mr Buckley, who also visited the European Commission yesterday, seemed to have scaled down his ambitions on the credits front following talks earlier this week in Bonn, Paris, Rome and London.

According to officials he was not at all specific yesterday about the restrictions the U.S. wants its allies to apply. But it was inferred that the removal of the Soviet Union's current qualification for subsidised export credits under the so-called OECD consensus was close to the top of the list.

Mr Buckley made no public comment yesterday but reports on his visit to other EEC capitals suggest that the Reagan Administration is being discouraged from pressing ahead on this front for the time being.

BASE LENDING RATES

Table with 2 columns of bank names and their respective base lending rates. Includes A.B.N. Bank, Allied Irish Bank, American Express Bank, etc.

LABOUR NEWS

THE WEEK IN THE MARKETS -1

Teachers plan half-day strikes to force pay dispute arbitration

BY IVO DAWNAY, LABOUR STAFF

LEADERS OF more than 350,000 teachers in England and Wales are to meet on Monday to plan a series of half-day strikes aimed at forcing employers to accept arbitration in the dispute over their claim for a 12 per cent pay rise.

Strike may halt Tilbury docks

BY BRIAN GROOM, LABOUR STAFF

A PAY strike by the National Amalgamated Stevedores and Dockers Union (NASDU) may bring much of the Port of London's Tilbury Docks to a standstill next week.

BP offers Grangemouth workers 7.5% rise

BY BRIAN GROOM, LABOUR STAFF

BP OFFERED a rise of 7.5 per cent on wages and allowances to 900 process and manual workers at its Grangemouth refinery in Scotland yesterday and made clear there was very little scope for improving it.

Hospital staff turn down 6.4% pay rise offer

BY IVO DAWNAY, LABOUR STAFF

UNION OFFICIALS representing more than 31,000 professional hospital staff have rejected a 6.4 per cent pay offer as "desertory and divisive".

Sogat holds new pay vote

BY OUR LABOUR STAFF

THE Society of Graphical and Allied Trades is to hold a new ballot of its 7,000 Fleet Street members after talks with the Newspaper Publishers' Association have failed to improve a 5 per cent pay offer.

Taking market bearings

The market has had a lot of information to digest lately, and it has been making rather a meal of it.

LONDON ONLOOKER

The market has had a lot of information to digest lately, and it has been making rather a meal of it. Some of the news is satisfactory; the retail price index has virtually stood still for a month, and year-on-year inflation is falling quite rapidly.

Turner trips

The disappointment of the market at Turner and Newall's results can only have been exceeded by that of the shareholders at the side-effects.

GKN relief

After two years of unprecedented hardship, it is a great relief to see Guest Keen and Nettelfields firmly back in profit, if only at the pre-tax level.

MARKET HIGHLIGHTS OF THE WEEK

Table with columns: Price, Change, 1981-82 High, 1981-82 Low. Rows include F.T. Ind. Ord. Index, F.T. Gold Mines Index, Associated Leisure, BAT Inds., Barclays Bank, Barratt Devs., Bond Corp., Corah, De La Rue, Gold Mines of Kalgouri, Guinness Peat, Hawker Siddeley, Huntley and Palmer, Johnson Group Cleaners, Liverpool Daily Post, Moray Firth, NCC Energy, Pilkington, Turner and Newall.

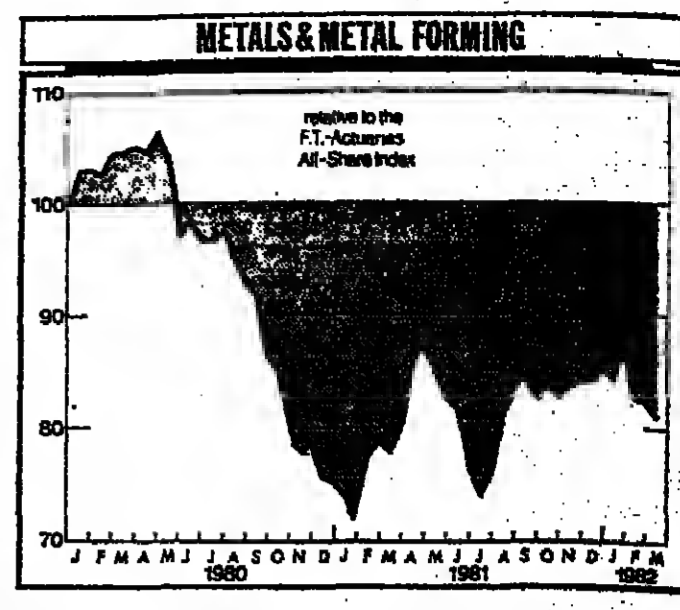
Reaganomics under fire

NEW YORK PAUL BETTS

THE MARKET enjoyed a small rally on Thursday but no one in his right mind was prepared to say whether this was the beginning of a sustained rally or simply a technical blip.

vestment bankers, brokers, securities analysts and corporate executives which showed that only 41 per cent of those questioned still approved of President Reagan's economic strategy.

that even if domestic air travel was increasing dramatically this month, it was unlikely to have much of an impact on the earnings of airlines which, between them, lost as much as \$500m last year.



half that of 1979, the only way that they could see to prop up the cartel's prices in line with the official level of \$34 a barrel for Saudi market crude.

Services switch The news from Guinness Peat this week was almost all bad. The troubled commodities and banking group reported that it had tumbled into a £13.5m net loss in the first half of its year to April, 1982, mainly because of nearly £5m in losses on animal fats trading and provisions of £71m for various disposals.

Oil balance Oil demand is still falling, sharply enough to bring anguished cries from Opec members for drastic cuts in output. Oil ministers in South America were calling this week for a production level barely

PORTSMOUTH BUILDING SOCIETY. Notice is hereby given in accordance with the Society's Rules that as from 1st April 1982 the following rates of interest per annum will be paid on the various types of investment account. Table with interest rates for Ordinary Shares (9.05%), Monthly Income Shares (9.05%), 6 Month Term Shares (10.50%), 2 Year Period Shares (10.65%), 3 Year Period Shares (10.75%), 4 Year Period Shares (10.90%), 5 Year Period Shares (11.10%), and Subscription Shares (10.55%).

THE M&G YEAR BOOK 1982. M&G's Year Book, designed as an aide-memoire for professional advisers, is also available for private investors interested in M&G's wide range of investments and financial services. Includes a form to request a free copy.

UNIT TRUST AND INSURANCE OFFERS. M & G Group, Royal Life, Tyndall & Co., Crescent Unit Trust Managers Ltd, Fidelity International Investment Management, Equity & Law Life Assurance Society plc.

Today's Rates 13 1/4% - 13 3/4%. Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 2.4.82 are fixed for the terms shown.

WEEK IN THE MARKETS=2

FINANCE AND THE FAMILY

Reveille for a sleeping giant

BACK IN 1971 Australia's Potent Mining was hot on the trail of one of the world's biggest and richest deposits of uranium in the remote East Alligator River region of the Northern Territory. Later that year the U.S. Getty Oil, scenting the potential of the early finds, took a 35 per cent stake in the project.

As I pointed out last week, if South Africa can halt the decline in the value of the rand against that of the U.S. dollar the impact of the fall in the dollar price of gold will be more severe on mine earnings.

Life is already tough for the higher cost, marginal, mines, Durban Deep and East Rand Proprietary having warned this week that they will probably drop out of the dividend list this year.

Gold is only a by-product in the case of South Africa's Consolidated Murchison which produces about 24 per cent of the western world's antimony, a metal used in electric batteries and flame-proof materials.

MINING

KENNETH MARSTON

In these years when the price of yellowcake went above \$40 per pound, the South African and other uranium producers made their fortunes. Pancoast and Getty could only wait and watch while the opening up of their deposit — and those of others in Australia — was constantly frustrated by the procrastinations of politicians and environmentalists.

At long last, the Australian Government has given conditional approval for Jabluka to go ahead. Full agreement is required from the Aboriginal Authorities, but such an agreement was recently initiated, and ownership of Jabluka will have to be 75 per cent Australian by the time commercial production begins.

TIN OUTPUTS COMPARED

Table with columns: Country, Feb 1982, Jan 1982, Total to date (tonnes), Same period previous year (tonnes). Rows include Amal. of Nigeria (tin), Amal. of Nigeria (columbite), Aolam, Ayer Hitam, Berjantai, CRM Sri Timah, Geovort, Gold and Base (tin), Gopeng, Kamunting, Klnta Kelias, Malayan, Pahang, Pangkajene, Petaling, Rahman, St Piran—Far East, St Piran—UK (South Crofty), St Piran—Thailand, Sungai Besi, Tanjung, Tongkah Harbour, Trengg.

Figures include low-grade material. † Not yet available. Outputs are shown in metric tonnes of tin concentrates.



A discretionary trust

BY OUR LEGAL STAFF

The trustees of a discretionary trust with three trustees, two of whom are resident and domiciled abroad, desire, with the permission of the settlor, to appoint capital to a discretionary beneficiary resident and domiciled abroad, conditional upon the appointed beneficiary investing the funds within a company of which the shareholders may be some, but not necessarily all, the discretionary beneficiaries of the settlement as well as others who are not discretionary beneficiaries under the settlement.

Do you think an appointment of capital subject to a condition as to the utilisation of the appointed capital would be a valid appointment in circumstances where there is no provision in the settlement giving permission to make a conditional appointment? Would your opinion be different if the trustees and beneficiaries were both resident and domiciled in the UK? Your authority for your opinion, would be appreciated.

Resident in Belgium's tax

I am wholly employed in Belgium, where I have lived for four years and my earnings are not subject to UK income tax. I have recently bought a house in England and this is rented to tenants for £120 a month. There is a small home loan on the property outstanding of about £4,000. My only other income in the UK is interest from about £500 in each of a National Savings Investment Account and a clearing bank deposit account.

my interest repayments on the mortgage allowable against tax? Under article XI(1) of the Belgium-UK double taxation convention of August 29 1967, the rate of UK tax on your interest cannot exceed 15 per cent—however, in practice it is likely to escape UK tax, by virtue of extrastatutory concession B13.

Inherited stock

Some years ago my husband inherited some G.E.C. Unsecured Loan Stock due to be repaid December 1981. I returned the certificate, but the Company has refused to pay the amount due until they have a prior receipt for same. This my husband will not give as a principle. Is there any way this matter can be settled? My husband is an invalid and it would be very difficult for him to go to collect at the Registrar's Office. Your husband is perfectly correct in law, and he would be entitled to sue for his repayment. He might however resolve the matter by offering a prior receipt expressed to be conditional on the receipt and clearance of the company's cheque for the amount in question.

A deferred pension

I am a member of a company pension scheme and had a deferred pension. When current pensioners had their pensions increased I asked whether my deferred pension would be increased accordingly. Although the pension fund actuary reassured me, the company decided against, on the ground that the needs of current pensioners were greater. In your comments on this subject on October 31 last you say "it depends on the rules of the scheme". My company changes the rules and only sends out the new rules on request and when available; e.g. my pension had no built-in widows benefit; now, I find, widows are automatically provided for, but only for those pensioned after the change in the rules. Is there any official surveillance of pension funds to see that they are properly administered? There is official surveillance of pension funds both by the Occupational Pensions Board and the Superannuation Fund Office of the Inland Revenue. A complaint by a member to the OPB backed up by prima facie evidence of maladministration would most certainly merit investigation by the OPB. However your complaints are unlikely to fall in this category. Increases in pensions after retirement or for deferred pensioners are, in the vast majority of pension schemes, awarded by trustees exercising their discretionary powers and not in accordance with any provision in the Rules which states that pensions must be increased in such circumstances. Trustees are not acting improperly if they exercise their discretion in favour of one class of beneficiary (pensioners) but do not exercise their discretion in favour of another class (e.g. deferred pensioners). You may personally disagree with the manner in which the trustees have exercised their discretionary powers but that is no ground for complaint. Rule changes are quite common and it is widespread practice where improvements are introduced to apply these improvements only to current members. Thus if you left the scheme as a deferred pensioner or on retirement before widows' pensions were introduced as standard you could not reasonably expect the company to backtrack and apply these improvements to all the former employees who had been in the scheme and left before the date of the relative improvement. You cannot complain that the trustees are not giving you something to which you would not in any case be entitled.

Consequential damage

I bought a plot of land with permission to erect two dwellings on it, my intention being to sell one. According to replies to the search made before it proceeded and confirmed by letter from the County Council (I enclose copies) the road abutting on the land had been adopted but it is now claimed by a person as his own land, and the Council have passed the matter to their insurers. Meantime, my bank overdraft with interest has risen to £33,000 and I cannot sell the second plot because of this dispute which has arisen. What please is my legal position, especially with regard

THE MOST IMPORTANT UNIT TRUST OFFER OF THE YEAR.

Royal Life, one of the country's largest life insurance companies, has entered the Unit Trust market.

An historic step for a company whose story began in 1803. Today, the Royal Life Insurance Group's investment team manages well over £3000 million.

Not a bad record in anybody's book. Now Royal Life launches the two most important Unit Trust offers of the year. Two broadly-based Trusts designed for the ordinary investor, who is seeking really professional management of his money.

ROYAL LIFE EQUITY TRUST

The purpose of the Trust is to invest primarily in ordinary shares and convertible stocks of UK companies. And in overseas ordinary shares if there are good opportunities to benefit from specific market sectors.

Recent months have shown just how successful some companies can be. The winners being those companies that have taken advantage of modern plant and technology.

The Fund Managers believe that there is real long-term growth potential in these more progressive, well managed companies.

Since the aim is growth, the immediate income is likely to be lower than average. The estimated gross commencing yield of the Trust is 3.75%.

By careful selection and monitoring, the Managers will maintain a high quality portfolio. One that will give you the efficient way to invest in UK Equities.

ROYAL LIFE INTERNATIONAL TRUST

The purpose of the Trust is to invest in direct holdings of ordinary shares and convertible stocks worldwide. In particular, North America, Australia, the Far East and Europe.

Despite worldwide recession, the Fund Managers believe that selective investment in the growth sectors of the stronger world economies will provide very attractive rates of growth.

Since holdings will be selected for their long-term growth potential, immediate income is likely to be well below average. The estimated gross commencing yield is 1.6%.

Royal's investment team have wide experience of international investment activities and are well placed to identify the best opportunities for the portfolio. Ensuring



ROYAL LIFE EQUITY TRUST.



ROYAL LIFE INTERNATIONAL TRUST.

you the efficient way to invest in equity markets worldwide. HOW TO INVEST

Now take advantage of the unit trust offer of the year from Royal Life. To invest, simply complete the application form and send it with your cheque to the Fund Managers.

Your minimum investment in either fund is 2000 units or £500 at the first public offer price of 25p. This price is fixed until 8th April, after which date, the price of units, and the income from them, may go down as well as up.

GENERAL INFORMATION

Applications will be acknowledged immediately and unit certificates issued within six weeks.

The first public offer price of 25p will be fixed until 8th April, after which time offer and bid prices together with yield will be published daily in the Financial Times, Times and Daily Telegraph.

Income from the Trusts, less tax at the basic rate, will be paid twice yearly.

For the Royal Life Equity Trust on the 22nd of June and December commencing December 1982. And for the Royal Life International Trust on the 22nd March and September, commencing March 1983.

There will be an initial charge of 5% included in the price, and an annual charge of 2% (plus VAT) of the value of the Fund, deducted from its gross income. The Trust Deed permits the annual charge to be varied, but with an upper ceiling of 2% (plus VAT). Units may be sold back at any time at the bid price ruling on receipt of your renounced certificates and payment will normally be made in seven days.

Remuneration will be paid to qualified intermediaries and the rates are available on request.

The Trustees are Barclays Bank Trust Co. Ltd. And the Manager of the Trusts is Royal Life Fund Management Limited, a member of the Unit Trust Association, and wholly owned by Royal Life Insurance Limited.

Royal Life



FIRST PUBLIC OFFER ENDS APRIL 8th 1982.

To: Royal Life Fund Management Limited, PO Box No. 30, New Hall Place, LIVERPOOL, L69 3HS

I would like to buy Royal Life Equity Trust units to the value of £_____ at 25p each (min. £500).

I would like to buy Royal Life International Trust units to the value of £_____ at 25p each (min. £500).

A remittance payable to Royal Life Fund Management Limited is enclosed.

Please send further information about: The Royal Life Equity Trust [] Tick box. The Royal Life International Trust []

SURNAME (Mr./Mrs./Miss) _____ FORE NAMES (in full) _____ ADDRESS _____

SIGNATURE _____ FT20 Reg. Office as above. Regd. in England. Regd. no. 160962Z

YOUR SAVINGS AND INVESTMENTS=1

So you want to run a building society? . . . Rosemary Burr reports

Battle over a closed shop

DO YOU THINK you could help run one of Britain's building societies? If the answer is yes and you have some money invested with the society, you can pass your bat into the election ring. In practice, anyone doing so will find he has taken on the might and money of the existing board without even a gleam of success at the end of the election tunnel.

The season of building society annual general meetings is getting into full swing. The battle lines are being drawn up between the societies who feel they are doing a good job and some of their members who feel an injection of new blood would do wonders for business.

Ken Weetch, Labour MP for Ipswich, has been watching the pre-election limber-ups of would-be directors at three societies where so outside is challenging the existing board for a directorship. He says: "The annual general meetings taking place at the Anglia, Nationwide, Liverpool and others are supposed to be democratic but in reality they are a complete farce."

"A careful examination will reveal that if an outsider tries to get elected the existing procedure will be used against him in a way aimed at keeping fresh blood off the board."

The odds on a challenger without board support getting a

Society	Assets (£bn)	No. of directors	Business interests of the 86 directors*
Abbey Nat.	£10.0	11	Banking and finance 26
Anglia	£2.2	10	Accountants, surveyors, lawyers 17
Chelsea	£0.28	6	Company director 14
Guardian	£0.46	6	Real estate 7
Halifax	£11.91	17	Insurance 4
Leeds Perm.	£3.5	9	Building and construction 4
Nationwide	£5.38	10	Printing and publishing 3
Provincial	£1.87	7	Beers, wines and spirits 2
Woolwich	£3.46	10	Transport services 2
Total	£39.06	86	Advertising 1
			Chemicals 1
			Distributive trades 1
			Metal industries 1
			Textiles 1
			Broadcasting 1
			Public services 1

* Source—Directory of Directors and Building Society Year Book

seat are pretty thin. Twenty-five years ago Fred Bentley, the general manager of the Halifax, resigned and stood for re-election against the wishes of the board. He was voted back by the members. More recent candidates have been unsuccessful.

Let us say you decide to stand for election. The first thing you will probably want to do is get a list of members (voters) and canvass their support. In order to find out the members' names you will have to go to the Chief Registrar of Friendly Societies

and get his consent.

Having got the green light from the Registrar, you may now have to copy out by hand the list of members as the society is unlikely to be prepared to give you a computer print-out. The next step is to contact the members. You will find the society has the power to vet whatever you intend to write.

A major hurdle is finance. While outgoing directors have the support of the board and are financed by the members

(that includes you) outsiders have to find the money to back their campaign themselves.

Once the printing and posting of your manifest is out of the way, you will shortly find a message from the board objecting to your article. This, too, is paid for by members, including you.

The date of the election is approaching. The venue is a long way from where you live and the meeting starts at 11 am, so you will have to spend a night away from home in order to attend. The list of candidates is not arranged alphabetically but the outgoing board members are bracketed together with outsiders listed beneath them.

Your supporters who are unable to attend the meeting must go to their local branch to get a special blank proxy form as the society has sent only lists existing directors who are certain to vote for one of their former board colleagues.

Drumming up interest in the proceedings is going to be difficult. Depending on the society recent votes have ranged from less than 1 per cent of members up to about 10 per cent. That means if you can attract enough media attention you may just have a hope of success. It's probably best to try and get on local radio or enlist the aid of a supportive MP such as Ken Weetch.



World Cup losers

SR EDUARDO MERIGO is a keen sportsman and has been tipped as a future sports minister for Spain. But he must be one of the few Spaniards not looking forward with much enthusiasm to this year's World Cup final in Madrid.

The reason is simple. Sr Merigo runs Spain's biggest credit card organisation, Visa Espana, and he knows full well that just as night follows day this summer's invasion of foreign tourists to watch the football, will coincide with a boom in credit card crime in Spain.

Cards will be stolen, others will be lost and many will be used dishonestly by people who will disappear in the football craze. The credit card companies do not like talking about how much they lose, but estimates put the annual figure at more than \$1bn a year and growing.

There are 80m Visa cards in issue which can be used at 3.2m retail outlets in 150 countries around the world. Visa reckons that its losses are running at the equivalent of 0.6 per cent of card turnover and with latter running at some \$30bn a year the sums are big.

Until now the credit card companies have had little choice but to allow the losses to accumulate. The cost of making a telephone call to get authorisation to accept a credit card in far away places was often pro-

hibitive and the card companies were resigned to accepting losses that were growing as rapidly as their cardholder base.

However, Sr Merigo and his pals in the other credit card companies are beginning to fight back with the aid of electronics and are predicting that credit card crime will soon disappear almost as quickly as it appeared.

The key to their confidence is the introduction of point-of-sale dial terminals at the more important retailers which will authorise card transactions in future.

What which is better known in the UK as Barclaycard, is one of the front runners in the introduction of the new and sophisticated electronic technology to combat credit card crime. This week it announced that it was installing minicom-

William Hall

How to be a pools winner

IF YOU are not convinced that the time is ripe to switch to a long-term investment, then money market funds may be the answer to your savings conundrum. These funds allow individuals to benefit from higher wholesale rates via a system of pooling.

Money market funds have proved tremendously popular in the U.S. as legislation there inhibits banks from paying depositors a realistic return. They have proved less attractive on this side of the Atlantic as British banks are not under similar constraints.

Anyone with £1,000 or more sitting idly in a bank deposit account or with a building society would, however, do well to consider a money market fund. The return on such funds is now three points higher than the rate offered by the clearing banks on seven day deposits.

Seven day deposits with the banks now attract between 10 per cent and 10 1/2 per cent gross compared to 13 per cent and

13 4/5 per cent on money market funds. Alongside last week's cut in mortgage rate, the building societies reduced the return to investors to 12.5 per cent gross.

There are two very similar types of funds available in the UK. The Tyndall Group, for instance, offer a money fund and a demand fund. The demand fund is a call deposit account which means the funds can be withdrawn at a day's notice. The rate is 1/2 per cent beneath wholesale money market rates and is quoted daily. The minimum deposit is £2,500 but this can later be reduced to £1,000. About £12m is invested with this fund.

More popular is Tyndall's money fund which requires a

minimum £2,500 on deposit. Money can be withdrawn at seven days' notice and a cheque book is also provided free. Cheques can be written for amounts over £500. There are no bank charges. Tyndall will deduct seven days' interest from the date the cheque is presented, normally a few days after it is written.

The present interest rate is 13.5 per cent. Although not adjusted daily like the demand fund the rate is kept parallel to wholesale rates. Interest is paid quarterly. About £20m is deposited in the fund at present. Since a subsidiary of Mercantile House, the financial services group, gives a similar service. The minimum deposit

for its seven day notice account is £1,000. The fund was set up in 1974 and now totals around £75m.

But no cheque book is provided and interest is paid half-yearly in March and September. The rates on the fund reflect the reinvestment of undistributed interest. The rate on seven day money is standing at 13.84 per cent compared with Tyndall's 13.5 per cent.

For those with at least £25,000 to play with, Simco's call fund is now giving a rate of 13.72 per cent. Most of the depositors are companies or agents such as solicitors or accountants.

Rosemary Burr

You could be an April fool

AN OFFER you can afford to refuse: that is probably the best description of the new 24th issue of National Savings certificate which goes on sale on Monday April 19. The return will be 8.9 per cent after five years free of tax which is the equivalent of 12.7 per cent gross to the standard rate taxpayer. The maximum holding is £2,500.

The return in the earlier years is much lower with investors getting 7.2 per cent in year one. If you believe the Treasury's figures then the return in the first year will be marginally below the inflation rate. If you think the Government is over-optimistic about inflation or that U.S. interest rates will rise pulling UK rates

up with them, then the return looks pretty poor.

In other words, you would be better off with an index-linked investment such as an indexed gilt or Grainsy bond — savers can still buy the second indexed National Savings issue which has a minimum 4 per cent bonus at the end of five years. The return on certain conven-

tional gilts also compares favourably.

Year	Value at year-end per £25 issue	Return %	Compound return %
One	26.80	7.2	7.2
Two	28.72	7.9	7.5
Three	31.44	8.7	7.9
Four	34.52	9.8	8.4
Five	38.32	11	8.7

Nationwide in action



Nationwide is supporting the renovation of the Inkermann Barracks near Woking, Surrey in a development particularly aimed at first time buyers.

Nationwide is participating in schemes designed to give extra help to two big present day problems — first time buyers and inner city decay.

Over half Nationwide's lending now goes to first time buyers many of whom are on lower than average earnings.

Nationwide is also contributing to urban renewal programmes in the city centres of Liverpool, Manchester and Belfast, where housing improvements are urgently needed.

It pays to decide Nationwide



Annuitants and gilts

NOW THAT index-linked gilts are available to everyone, the private investor has the means to build up a cash sum at a guaranteed real rate over inflation. If he does not want to buy those gilts direct, then life companies are offering index-linked gilt funds for linked life and pensions contracts. (But check on the charges eroding the return.)

However, the elderly investor does not want to build up a cash sum. He wants to convert his assets into income that will keep its real value against inflation. But the Government has given no indication of issuing index-linked annuities.

So what are the chances that life companies will market index-linked annuities offering income payments that will rise with the Retail Price Index. There are now four index-linked gilts, with redemption dates from 1988 to 2011, to match against the liabilities.

Some life companies, notably Scottish Amicable and National Provident Institution, are giving this development serious consideration, but there are still some difficulties to overcome. First, the four stocks will just about enable life companies to have the necessary portfolio spread to guarantee increases in line with the RPI to 2011. But they would feel happier if there were a longer-dated indexed gilt and perhaps one or two others in between for a more even income payment spread. At present such an annuity could guarantee RPI increases for 29 years, that is until the age of 94 for a person now aged 65.

But a much bigger drawback is the low starting value of any index-linked annuity. On ordinary annuity contracts paying level monetary amounts each year, the actuary can assume at least a 14 per cent return in his calculations—the average return on conventional 10-year gilts. For index-linked annuities he can only assume a 2 or 3 per cent yield—the current real rate of return on index gilts.

This means that for a man of 65, £10,000 which currently buys a level annual income of around £1,900, would provide only a starting income at an annual rate of £320 assuming 2 per cent, or £380 assuming 3 per cent.

It should be obvious that income payments rising each year in line with the Retail Price Index will cost much more than the same initial payments that remain fixed in money terms.

Vanbrugh Life has been marketing index-linked gilt funds on its self-employed pension contracts since last April. The self-employed taking their pension have the choice of a level fixed payment or a pension linked to any one of their funds, including the index-linked gilt fund.

This latter fund will not exactly match RPI increases, since it reflects the price movement of the gilts. But over the long term, it should average out. The choice to a 65-year-old man per £10,000 cash is a fixed quarterly pension of £393, with payments guaranteed for five years, or a linked pension of £161 for the first payment, thereafter moving in line with the index fund.

To date about one in five persons taking the pension have opted for the lower-linked annuity, and no one has yet linked to the index-gilt fund.

Eric Short

NEL BASE RATE

13 1/2%

Rate of interest currently allocated to

NEL PENSIONS GUARANTEED GROWTH POLICIES

13 1/2%

with effect from 15th March 1982

National Employers Life Group

WHERE CAN YOU GET 13 1/2% ON DEPOSIT AND A CHEQUE BOOK?

Only from the Tyndall & Co. Money Fund.

You get top money market rates for your deposit. The current rate offered is 13 1/2% — a return which would normally be available only to major investors. You keep your funds immediately available. And you have a cheque book facility which lets you withdraw all or part of your deposit, simply by writing a cheque.

Top interest rates and a cheque book facility make a unique combination.

All you need to open a Money Fund account is a minimum of £2,500. As an individual depositor, you benefit from the higher rates of interest obtained by our regular deposit of pooled funds. Interest is credited quarterly, without tax deduction or charges.

A Tyndall & Co. Money Fund account is ideal not only for the private investor, but for companies and others who want to be sure they're making the best of short term funds.

* Current rate. Rate published daily in the Financial Times.

Please send me full details of the Tyndall & Co. Money Fund. FT 20/3/82

Name _____

Address _____

Tyndall & Co. 29/33 Princess Victoria Street, Bristol BS8 4DE. Tel. Bristol (0272) 732241.

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Licensed by the Bank of England to take Deposits

YOUR SAVINGS AND INVESTMENTS—2

John Makinson reports on the Tokyo market

Land of the setting sun

THE FORCES of gravity may apply to Japan's economy after all. After two years of remarkable export-led growth, it is at last succumbing to the recession with which other industrial countries are only too familiar. For holders of Japanese equities, the impact has been dramatic.

Unit trusts specialising in Japan have headed the league tables in each of the past two years and two months ago it looked as if 1982 could produce a hat-trick. The Tokyo market had bounced back from the dark days of last autumn and was heading towards uncharted territory.

But, in early February, the market stalled and then nosedived. On Tuesday of this week, Tokyo's Nikkei Dow Average sliced through the sensitive 7,000 level to its lowest point for 18 months. Worse was to come. The market held up during the first hour's trading on Wednesday and then disintegrated. In one hour, 200 points were erased from the Nikkei-Dow. A

recovery set in during the afternoon, perhaps because of officially inspired support by the major securities houses. Trading was still very nervous at the end of the week. Yesterday, the Nikkei Dow closed at 7,065, 350 points above Wednesday's low point.

As in the market collapse of last autumn, it was difficult to pinpoint specific factors behind this sudden movement. Almost certainly, investors were waking up to the severity of the U.S. recession and the likely impact of growing trade pressures.

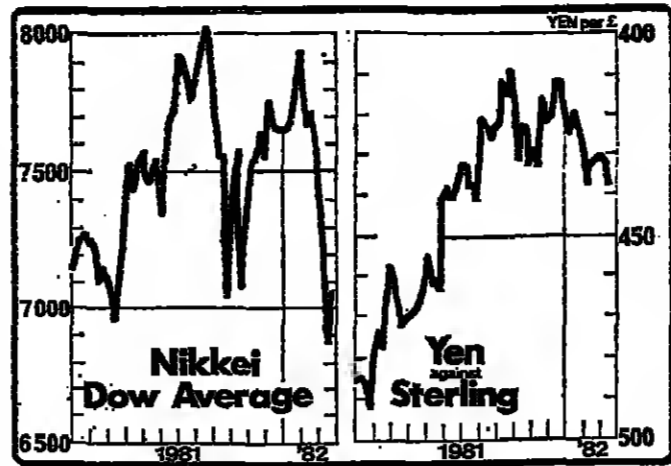
If evidence of this was needed, statistics provided it. This week, Japan reported a 0.9 per cent decline in gross domestic product for the last quarter of 1981, the first drop since early 1975, and the February retail sales figures, showing a growth of only 4 per cent year on year, underlined the stagnation in consumer spending. Major Japanese companies have been reporting dismal figures for the half year to December and little

better can be expected for the coming months.

For foreign investors, the problem has been compounded by the weakness of the yen. It has fallen about 10 per cent against the dollar since the end of last year and it is almost certainly only holding its current level of about ¥240 thanks to official support. Foreigners have been consistent net sellers of Japanese equities since the beginning of the year.

Some of the biggest share price falls have been recorded by the highly rated blue chip companies to which foreigners were attracted in 1980 and 1981. A benchmark stock is Hitachi, which recently issued 50m new shares in New York. Until Tuesday, the shares held above the ¥881 issue price, probably with some help from the underwriters. But then the support evaporated and the shares fell on Wednesday to a low of ¥500. The psychological impact on the rest of the Tokyo market was severe.

The problem has certainly not



been institutional liquidity. The cash flow of insurance companies and investment trusts is relatively strong and has helped to push the domestic bond market sharply higher over the past couple of weeks. But the end of the financial year is only a week away and institutions are reluctant to take up new positions in a falling market.

Much of the selling pressure has come from private investors who borrowed money to buy volatile stocks, such as Sumitomo Metal and Mining, early in the year. The securi-

ties companies took steps to tighten the collateral requirements on client positions a week ago and prompted a wave of distress selling.

Some encouraging signs are already starting to emerge. Several companies have cancelled planned equity issues—was priced—and the speculative stocks which led the collapse appear to have turned the corner. But it is unlikely that a new trend will be established until trading for the new financial year begins, a week from today.

Eric Short looks at a new way to repay your mortgage

A home at sixty

WHEN IT comes to exploring new ideas in mortgage finance, the clearing banks have, so far, shown more powers of innovation than the building societies. This is clearly seen in the banks' development of facilities so that self-employed people may use their pension contracts, rather than an endowment policy, to repay the loan.

But the societies are now entering this field, either linking up with a specific life company, or prepared to accept pension contracts from a panel of life companies.

Alliance Building Society recently announced its entry into this field, the first major society to do so. Its scheme clearly highlights the tax advantages of using a pension contract to reduce the cost of repaying the mortgage—and also to provide higher benefits at the end of the period.

Alliance charges the usual interest rates for endowment mortgages of 1 per cent above the recommended rate, that is a rate of 14 per cent at present. Alliance still operates a differential mortgage system, and loans above £25,000 pay 14½ per cent on the excess.

Like the endowment method, the self-employed person pays interest only, during the term of the loan, and repays the mortgage from the cash commutation available when he decides to vest the contract and start drawing his pension.

Under a personal pension policy, the self-employed can take a pension at any time between their 60th and 75th birthdays, both days inclusive. They have the option, at the time of taking the pension, to convert part of that pension into a tax-free cash sum. It is this sum that Alliance envisages that the self-employed person will use to repay the mortgage, though he could use other funds for the purpose.

Thus the self-employed have considerable flexibility on the timing of taking their pensions, and Alliance has used this to

Man aged 35 takes out a £15,000 mortgage over 25 years, current interest rate 14 per cent, requiring gross monthly interest payments of £175, netted down at the appropriate tax rate.

REPAYMENT COSTS

(a) Low cost endowment—net monthly cost of £21.28 irrespective of tax rate. Estimated cash surplus after 25 years £8,727*.

(b) Personal Pension Plan:

Gross monthly premium	23.64
Life cover monthly premium	5.00
Total gross monthly premium	28.64
Net premium at 20% tax	20.05
at 45% tax	15.75
at 60% tax	11.46

Benefits at age 60 (after 25 years).

A cash sum of £3,750* after repaying the mortgage.

Plus cash of £32,631* which must be used to buy a pension (£5,465 per annum on current rates).

* On current bonus rates.

employed man gets tax relief at his top rate on the pension contributions compared with half the basic rate on the endowment premiums. The effect is seen in the example provided by Sun Alliance Assurance, one of the life companies on the panel.

Since the pension contract only pays out the cash value of the policy on death before retirement, Alliance insists on the self-employed having a level term assurance to cover the mortgage. But the self-employed also get full tax relief on these premiums.

The size of the premium on the pension policy is calculated to be that which will produce the required cash sum to repay the mortgage on the conservative bonus assumption of 80 per cent of the current bonus rate of the life company. The same assumption is used in calculating the premium for the low cost endowment.

Personal pension policies cannot be assigned or cashed-in before retirement. So the only collateral under this scheme is the house itself. But Alliance asks the borrower to give a signed undertaking that he will use the cash from his self-employed pension policy or any other funds to repay the mortgage. This has no legal force whatever.

If the borrower ceases to be self-employed, he has to stop payments on his pension contract. Alliance would effectively refinance the mortgage if and when this happened.

Alliance is considering extending its scheme to include unlinked pension contracts. But here it envisages not only approving the life company, but checking out each individual contract in respect of the linking fund. It may be wary of taking a policy linked to an overseas or a specialist fund.

When it's as easy to understand as APR



DO YOU know the real cost of your mortgage? Unless you are a wizard with a calculator and understand APRs—annual percentage rates—the likely answer is no. The situation is complicated by the fact that banks, but not building societies, now have to quote the true cost of their loans.

The Consumer Credit Act of 1974 introduced a formula for calculating interest rates charged to borrowers called the APR. Most institutions advertising loans now have to state

the APR. The building societies are exempt and few voluntarily give the true cost of mortgages.

In order to find your way through the maze of claims and counter-claims on mortgages some basic definitions are helpful. First, the flat rate. This is the one normally quoted and is sometimes referred to as the stated rate. The flat rate represents the amount of interest due as a percentage of the sum outstanding at the start of the year. Second, the APR. This is the amount of interest due as a per-

centage of the sum outstanding plus any fees charged by the lending institution.

A brief glance at the table will show how useful it is to calculate the APR. Why, you may wonder, is a mortgage from Lloyds at 13½ per cent flat cheaper than one from a building society at the same flat rate? This is because a building society charges you interest for the whole year on the amount outstanding on day one, whereas Lloyds works out the payments on a reducing balance. So in the last year of a

mortgage from a building society the APR will be roughly double the flat rate. The other factor which affects APRs is additional fees.

As the table shows if you are looking for an endowment mortgage it will pay to go to a bank (other than Barclays), as unlike the building societies, no premium rate will be charged on endowment mortgages.

The building societies say the premium on an endowment is necessary to compensate them for not getting repaid until the end of the life of the mortgage. So far no building society has moved to match the majority of the clearers and abolish the differential rate on endowment mortgages.

By the end of the year it looks as if APRs will have to be included in all credit agreements. This is one of three provisions of the Consumer Credit Act not yet in force. Dr Gerard Vaughan, the new minister for consumer affairs, this week announced plans to implement the remaining provisions of the act by 1982.

At this stage it is not clear whether there will be any exemptions to the rule about including APRs in credit agreements. There seems to be no sound reason for allowing building societies to wriggle out of this commitment.

Dr Vaughan said: "The true consumer interest is to have a good range of choice between competing goods and services... if consumers are to exercise choices satisfactorily they must have accurate, and equally important, comprehensible information."

The Government's principles are being flouted. There is a strong case for changing the rules and insisting that building societies include the true cost of borrowing in their advertisements. If consumers are to be excluded from the new provisions relating to credit agreements when these are introduced, then it will leave a serious gap in the provisions of the Consumer Credit Act.

—The True Cost of Home Loans—

Flat Rate Per Cent	Fee	True Rate APR Per Cent	Date Effective	Extra Charges
Lloyds	None	14.2	26 March	None
Barclays	£50	14.5	1 April	+ 1% for endowments
Midland	£2 per £1,000	14.5 approx.	16 March	None
National Westminster	£50	14.5	16 March	None
Trustee Savings Bank	None	14.5	1 April	None
Typical Building Society	None	14.5	1 April	Various premiums for endowments and large loans

'I want you to raise your right hand, take the oath, and then tell me your APR.'

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- 2 Established companies which have introduced new management.
- 3 Companies with proven management which have utilised the recession to strengthen their organisation in order to create more rapid growth in the future.

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GENERAL INFORMATION

The minimum initial investment in Crescent Capital Fund is £500. Subsequent investments may be made in amounts of at least £50.

The price of units under this offer is 25p. After 29th March 1982 (or earlier at the Manager's discretion), the Fund will be valued and units may be purchased or sold back at prices calculated daily. Prices will be published daily in the Financial Times and other newspapers.

An initial charge of 5 per cent is included in the offer price. A half-yearly charge of 1 per cent (plus VAT) is made. On giving three months' notice, the Managers would be permitted to increase this charge up to 1½ per cent. The Managers are entitled to a rounding adjustment to bid and offer prices of up to 1% or 1½p, whichever is the less. (This does not apply to this first offer of units at 25p) income net of basic rate tax is distributed yearly on 15th June. The first distribution will be on 15th June 1983. Investors may choose to have income automatically reinvested in further units.

The Managers are Crescent Unit Trust Managers Ltd. Members of the Unit Trust Association, The Trustee is The Royal Bank of Scotland plc. The Fund is a UK Authorised Unit Trust and a 'wider-range' investment under the Trustee Investments Act 1961.

Additional Information:

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I/We wish to purchase units in Crescent Capital Fund to the value of £

A cheque payable to Crescent Unit Trust Managers Ltd. is enclosed (minimum £500).

I/We are over 18 years of age.

I/We would like distributions of income to be automatically reinvested. Unless this box is ticked income will be sent to you yearly.

Please tick this box for details of how to exchange an existing portfolio for units in the Fund.

Surname (Mr/Ms/Miss/Tyde)

Forenames in full

Address

(Payments and correspondence will be sent to this address unless you specify otherwise.)

Signature _____ Date _____

(In the case of joint applications all must sign on a separate sheet of paper.)

This offer is not open to residents of the Republic of Ireland.

Rosemary Burr

Cut-price units

IF YOU want to buy a cut-price unit trust you had better move fast. Two companies have just announced plans to pass on part of their commissions from the unit trust group to the customer.

All of which sounds good news to the investor but unfortunately there is a catch. Both companies, Charlotte House Financial Services and Investment Planning Analysis and Management (IPAM), emphasises it will be offering a simple brokerage service and not be giving overall financial advice.

You may think that is all right, but the Unit Trust Association has other ideas. Mark St Giles, the Association's chairman, explains: "The marketing allowance is only available to those who offer investors a comprehensive financial service. If this is not done, then those companies will not be entitled to the marketing allowance."

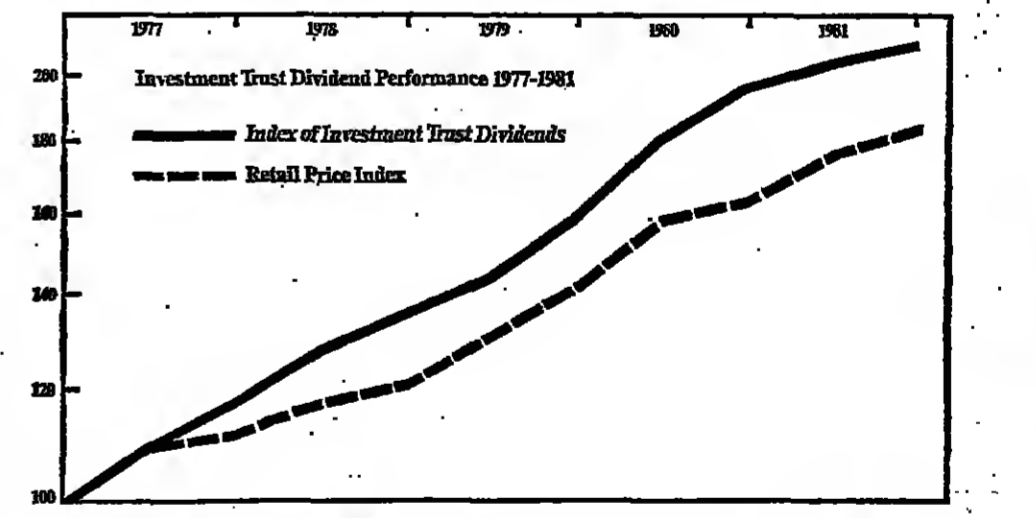
At the moment most unit trust groups pay intermediaries a basic commission of 1½ per cent plus a marketing allowance of 1½ per cent. Charlotte House and IPAM propose to hand over part of this overall 3 per cent commission to the customer.

It now looks as if this initiative will fall flat on its face. Although IPAM, for example, was prepared to give a ½ per cent discount to investors choosing funds which do not pay a marketing allowance it made it clear that this was a "loss leader."

R.B.

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PROPERTY

The Salop connection

BY JUNE FIELD

High the Vines of Shrewsbury gleam... A. E. Hausman (1859-1936) The Welsh Marches.

OLD MOORE of Almazac fame... 17th century physician, astrologer and schoolmaster.

Those with Shropshire connections are varied folk... But there is some hope for the future.

pressive Grade II listed Royal Salop Infirmary in St Mary's Place by St Mary's Church...

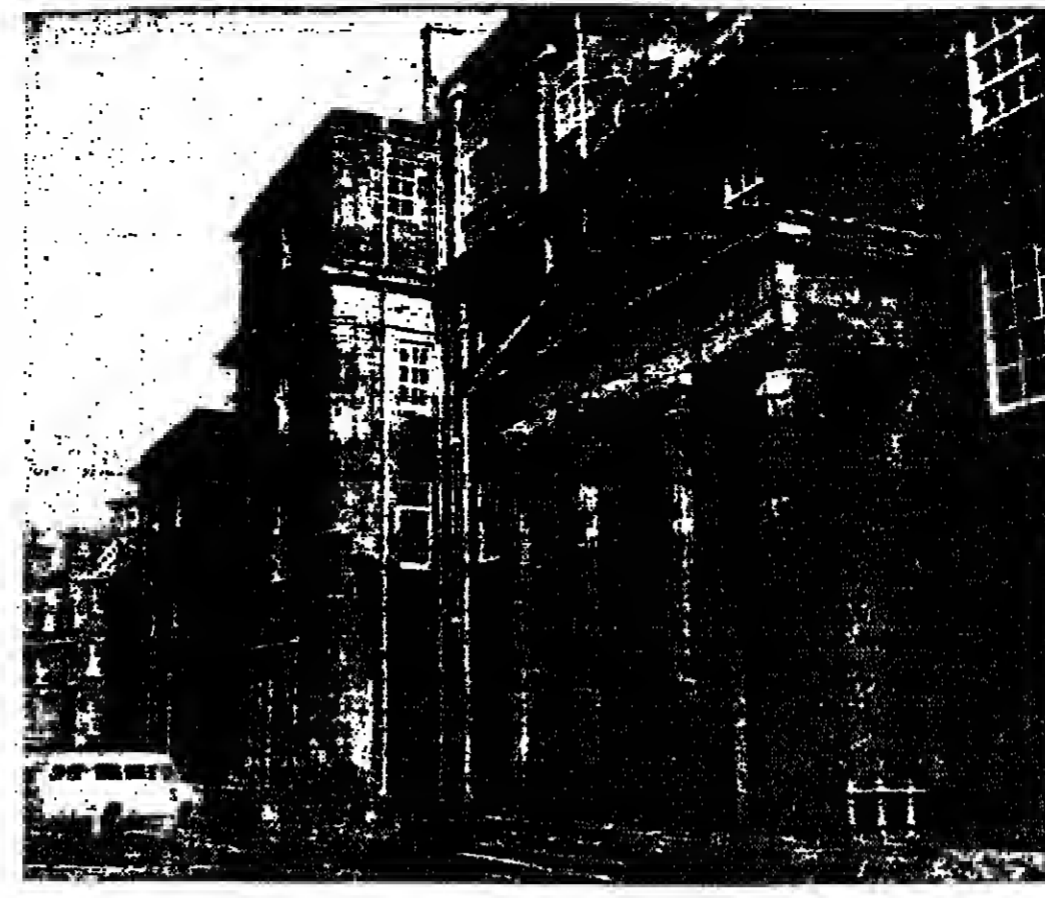
There is little cause for complaint now... The traffic problem is a nightmare.

The enterprising development, now known as The Court... Mr Daborn, partner in charge of John German Ralph Pay's Shrewsbury office.

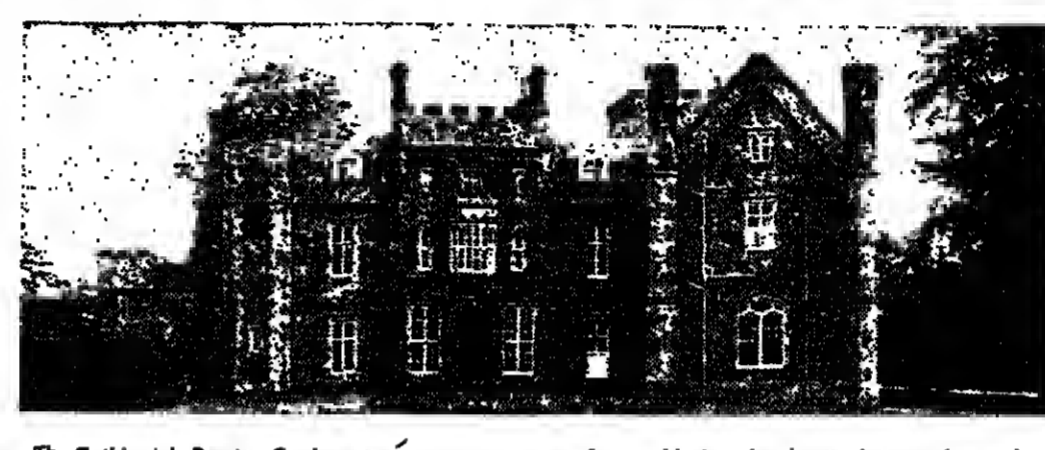
The imaginatively designed accommodation by architects Arroll and Snell includes smart galley kitchens, well-fitted with cooker, refrigerator and freezer.

Hall, Wateridge and Owen are also agents for another imaginative town centre restoration in Hills Lane, Shrewsbury, undertaken by Frank Galliers, with architects Eaton, Manning and Wilson.

Mr Daborn, partner in charge of John German Ralph Pay's Shrewsbury office, said that with what he called "a hint of confidence coming back into the financial world even before the Budget," there is a steady increase of interest in all types of property.



The 19th century Salop Royal Infirmary (right) by St Mary's Church (left), in the centre of Shrewsbury, Shropshire, on the banks of the Severn. It is to be developed as The Court, incorporating 30 apartments from £33,000 to £53,000 on a 99-year lease.



The Gothic-style Rowton Castle, on an ancient Roman site in 28 acres on the outskirts of Shrewsbury, Shropshire, is being offered for sale by Tarmac. There are 19 bedrooms and 5 bathrooms.

Declared play

BRIDGE

E. P. C. COTTER

TODAY'S hands occurred in important pairs events. Both are instructive, and will repay study.

Bridge score table with columns N, S, W, E and various card symbols like ♠, ♥, ♦, ♣.

Neither side was vulnerable when East dealt and passed. South opened the bidding with one heart, and West doubled for take-out.

The rising young

CHESS

LEONARD BARDEN

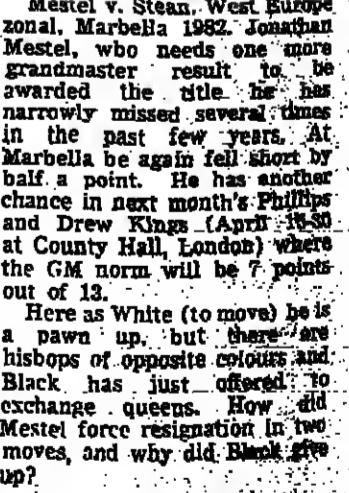
TWO RECENT events demonstrate the depth of British chess strength built by a decade or more of junior talent-spotting.

Their successful team was by general consent the best in the entire history of the series. An IM on top board and a board 7 who has his own in the last British Championship.

Westgate, the West Sussex village which has become a prominent centre of chess activity, has held its second Arc Young Masters sponsored by Amey Roadstone.

The clash of generations produced sharply fought games. The experienced juniors tried to offset lack of technique by an uncompromising tactical style.

White (to move) has a pawn up, but there are hispops of opposite colours and Black has just offered to exchange queens.



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LEISURE

Norway's airy capital

TRAVEL
SYLVIE NICKELS



Above, one of the 192 Vigeland sculptures in Frogner Park, Oslo, completed in 1943, and (right) ancient stonehouses in Skjolen open air museum, Telemark

AS URBAN dwellers go, the 489,000 citizens of Oslo are extraordinarily lucky. When its boundaries were extended by the city fathers in 1948, the Norwegian capital became overnight not only one of the largest but among the least populated cities on earth. 75 per cent of it is covered with forests and farmland, and a mere 3 per cent industrial area. To the south, the long waterway corridor of Oslofjord was for centuries the only throughway to and from the rest of the world; most other directions, the land rises into rugged high plateau country where the outdoor-loving Norwegians can trek and ski to their hearts' content, according to season along with their similarly inclined visitors. Within the city boundaries, one of Europe's most famous hills, Holmenkollen, gives its name to an international Ski Festival each March.

But this article is about spring and summer Oslo, which is one of the most disarmingly "provincial" cosmopolitan cities I know. Cosmopolitan it certainly is. Some of the largest and glossiest cruise ships in the business are to be seen loitering above its quaysides almost in the city centre. Sleek car and passenger ferries nudge in and out of the harbour with regularity, bound to and from Copenhagen, Fredrikshavn, Newcastle and Kiel. And the fjord bustles with sightseeing boats, yachts, commuter ferries carrying suburban dwellers to work because for many of them it's the quickest way, and the fishing vessels that come in daily to sell their fresh harvests almost in front of the distinctive City Hall.

It's here, on or by Rådhus-

plassen, that tourism starts. The sightseeing buses and boats leave from here and, within the City Hall's massive doors, is the Tourist Office whose free "Oslo Guide" is indispensable. Within a few hundred yards in one direction is the great pile of Akershus fortress, and in the other "main street" is the Karl Johans gate. The fortress has been there since the 13th century, though its present appearance dates from the 17th when the Danish-Norwegian King Christian IV renamed the whole city and re-named it, without undue modesty, Christiania (it was changed back again in 1924). The views from it over the harbour are splendid and it contains a particularly moving Museum to the Resistance.

Most of the other important things required by the city are on or near Karl Johans gate: the Royal Palace at one end and main Oslo Central railway station at the other and, in between, the National Theatre, the University, the Storting (Parliament), the Cathedral, the National Museum and the main shops.

It's all very compact and relaxed, though for the most

remarkable city sights, you need to abandon the centre.

The headland of Bygdøy, best reached by ferry from Rådhusplassen on a hazy museum's day, offers an extravaganza of vicarious maritime adventuring. Here are the Viking Ships (some of the best-preserved anywhere), Nansen's *Fram* that drifted across the top of the world, Thor Heyerdahl's *Kon-Tiki* and *Ro II* that respectively penetrated the North West Pacific and the Atlantic and, in front of the National Maritime Museum, looking astonishingly small, the *Galp* in which Amundsen was the first to penetrate the North West Passage. And here, too, is the open air Folk Museum whose charming collection of old buildings include a stave church and Henrik Ibsen's study.

North-west of the centre, the Vigeland Sculptures in Frogner Park, completed in 1943, are the grandiose life's work of Gustav Vigeland whose 192 groups in bronze, granite and wrought iron depict the various ages of the human cycle from birth to death. Realism and compassion make a potent combination and there is something of the same Nordic admixture in the Munch

Museum in the north-east of the city. Here the often sombre but magnificent canvases of Edvard Munch reflect a childhood dominated by poverty, sickness and death; amongst them, works such as *Girls on a Bridge*, are like a breath of fresh air.

In fact, Oslo's artistic life began 3,000 years ago, with the rock carvings to be seen near the Seamen's School on the city's southern outskirts. The Oslofjord area is peppered with such carvings, especially on the eastern shore and you can follow a veritable prehistoric trail right down into Sweden. There are particularly fine traces in the surroundings of the beautiful little fortified town of Fredrikstad which is nowadays a lively arts and crafts centre. The western shore of the fjord is the one to choose for fishing villages and bathing resorts which get progressively prettier as you proceed south to where the waters widen into the Skagerrak.

Their narrow streets and bright painted houses are steeped in tales of the great windjammer era, including places like Arendal, terraced round its harbours, and Grim-

stad where Ibsen served as an apothecary's assistant. Ibsen was born in Skien, a little inland from the fjord, where his family knew poverty as the museums show. From Skien you can make a boat trip by canal into the heart of the glorious mountains of the Telemark region where skiing was born about 130 years ago.

Most arrangements to Norway ex-UK focus on Bergen and the western fjords, but Oslo combines well with a host of centres in the eastern valleys or along Oslofjord, whose waters are said to be the warmest of any north of the Med. Oslo-based arrangements are marketed by Fred Olsen Travel by air or by sea. The go-as-you-please packages of Danish Seaways cover return travel by sea (with your car) and b. and h. in a choice of 100 hotels throughout Norway using hotel cheques; cost is £180-£210 per person (if two) according to season.

Further information: Norwegian Tourist Board, 20 Pall Mall, London SW1Y 5NE; Fred Olsen Travel, 11 Conduit St, London W1R 0LS; Danish Seaways, Latham House, 18 Minories, London EC3N 1AN.



Volvo's luxury flagship, the 760GLE. It looks much better in the metal than it does in pictures.

Electronics watch wheel-spin

SOME CARS, like some people, are phlegmatic. Others are not. To be honest, the camera does not flatter Volvo's latest car, the upmarket 760 GLE. In profile, it looks blandly and conventionally stylish until you get to the back window, which drops like a cliff on to a great cabin trunk of a boat. Full face, like many another Volvo, it could be mistaken for a streamlined snowplough.

But it's all rather different in the metal. When you walk round the 760 GLE and, especially, when you see it on the move, it looks more attractive than would have seemed possible from the pictures.

Despite its unfortunate reaction to the lens, the 760 GLE will find plenty of buyers waiting—mainly, I suspect, existing Volvo owners—when it comes to Britain in mid-summer. The whole of the initial batch of right-hand drive, 2.8 litre V6 engine 760 GLEs with automatic transmission plus overdrive has been spoken for.

By autumn, a few 760 GL Turbo diesels, powered by a six-cylinder engine Volvo buy from Volkswagen, will be available here, fitted with four-speed manual gearboxes with overdrive. I tried a prototype Volvo turbo diesel in Sweden a couple of years ago. It was a potent machine, with half of an intercooler from a Volvo juggernaut-size truck to improve combustion efficiency and acceleration like a sports car. Development engineers told me it was good for 120 mph and I believed them. Volvo's claims for the 760 GL Turbo diesel are more modest; they say it is the world's fastest diesel passenger car. I am certain it will also be one of the smoothest and quietest.

Turbo with the four-cylinder petrol engine has not been available here, either. But there is space to spare under the new 760 GLE bonnet for a right-hand steering column and the diesel engine (and, come to that, for a turbocharged petrol engine). Volvo Concessionaires "don't expect to sell many turbo-diesel 760s to begin with but they have had a small though steady demand for a diesel from Volvo owners for several years."

Is this mainly due to a desire to cut consumption—or to help clean up the atmosphere? No-one is sure. Volvo, however, with its emphasis on safety and

asked if an estate version could be expected. Volvo are not in the habit of leaking details of new models; security on the 760 had been tight. While no-one would admit a 760 estate was in the pipeline, I would be surprised if it were not. The current six-cylinder 265 saloon has its type 265 estate counterpart. The 760, though currently an additional model, must displace the 264 in time. So a 760-based estate would be a logical development, though probably not for two years.

A splendid car it would be, for outdoor sportsmen as well as the antique dealers who now favour the Volvo estates for their enormous carrying capacity. If, as I believe, the 760-based estate does appear, it would not replace the current 265.

An interesting development just unveiled by Volvo is a traction improv. This feeds power so efficiently to a pair of driving wheels that it will stop a heavy-footed driver of a turbo-charged car from getting into trouble when overtaking on slippery roads.

It is rather like an anti-lock braking system in reverse. A spinning wheel loses both traction and sideways grip, just as it does when the brakes have locked and it is sliding. Anti-lock systems release the brakes momentarily and re-apply them when the wheel is no longer sliding, at a rate of many times a second. Volvo's anti-wheelspin device senses electronically when a driving wheel is turning faster than a free rolling wheel on the same side of the car.

First it cuts out the turbo-charger. Then, if the wheel is still spinning, it starts reducing the fuel supply to each of the engine's cylinders. All this is done in a matter of one and five times a second.

It is a long way off production. But it will come. In some parts of Sweden, the roads may be ice-covered for up to five months of the year. Turbo-boosted acceleration and icy roads don't go well together.

MOTORING

STUART MARSHALL

on the car's social acceptability, is a make that appeals to the top layer of the environmentalist market. It may well be that Derv fuel's lack of lead additive is a powerful argument as the potential pence-per-mile cash saving.

In Britain, Volvo seems to have been keeping a low profile lately though they have been selling more cars than ever before. Their 300 series—the ex-DAF hatchback that has been gradually transformed into a proper, downsized Volvo—has been in the top ten most popular cars for the last two months.

On the Continent, a go-faster 300 series has been on sale fitted with a 1.9 engine instead of the usual 1.4 litre. It has alloy wheels, "Pirelli" P6 tyres and a five-speed manual gearbox with overdrive top. It must come to Britain soon. Probably it has not been introduced before because its five-speed gearbox has not been available.

At the recent Geneva Show, where the big new 760 made its first public appearance, I

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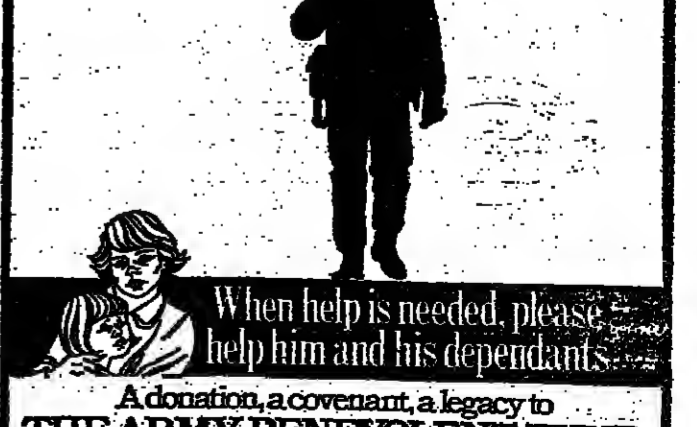
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Coming alive as they climb

IT TOOK 70 people to launch what is claimed to be the world's largest kite, for a 37-minute flight which must guarantee a place in the record books.

This huge, brightly coloured airfoil shape, 165 feet wide and 55 feet long, too to the air at Dutech resort in Scheveningen last August, hanging in the sky like a giant manta. Yet it has no spars; the wind fills the kite with 1m litres of air through vents to form the structure and to ground it is totally collapsible.

It was built by 10 Dutch enthusiasts and flown at a festival at Scheveningen, one of half a dozen kite events held in Europe each year. There are scores of smaller ones—at least 70 in Britain alone—attestimony to a breezy and fascinating pastime.

Kite-flying falls somewhere between relaxation and a sport. Many kites are bought for children as Christmas presents. In Britain there are probably about 3,500 to 4,500 serious enthusiasts, according to Ron Moulton, secretary of the 52nd Strong British Kitefliers Association, which links together the most dedicated, who design and make their own and fly them throughout the year.

The variety of kites available is astonishing. There are grace-

ful delta shapes, fighting kites, steerable stutters, "soft" kites such as the airfoil and multi-cell kites of many kinds.

There is a seagull design which, in the air, looks deceptively like the real thing, and an imaginative new catamaran which can be sailed on water as well as flown. You can still buy the original Gibson Gill box kite flown by diled British aircrews in the war to raise an emergency aerial.

Inexpensive kites usually have a plastic covering (the sail) and you can still buy kites which have cotton sails. But most quality ones are now covered with colourful ripstop nylon, the material from which parachutes are made.

Department stores, sports and toyshops vary in the ranges they stock and the cheaper kinds of kites which many people are content to buy are often a disappointment, though a few fly well. But for £5 to £15—and upwards—there are excellent and beautifully-made kites

which seem to come alive as they climb into the sky.

There are three specialist kite shops in Britain, two of them in London. Dave Turner, managing director of the Kite Store in Covent Garden, says: "There's a kite shop in most large cities in the U.S.—in San Francisco there are four in the same block."

Mr Turner plans to organise a London festival this August at Parliament Hill, where he wants to give the monster airfoil a demonstration. He would also like to show what is reckoned to be the world's longest kite—nearly a quarter of a mile from end to end.

For anyone who wants to make their own, there are plenty of books to explain how it is done and how to fly the finished result. And most kites are easy to fly—once the knack is mastered. Even a polythene rubbish bag can be made to fly well, and one Japanese kiter, for fun, likes to take off his plastic mac, attach a time, and fly that, too.

To launch most kites it should usually only be necessary to stand still and pay out the line because there are different ones to suit different wind strengths. A simple way to check whether there is enough wind is to observe whether the tops of nearby trees are moving. But



it is often possible to fly on a day when there is apparently no wind, by launching a light kite patiently on a long line until it picks up an airstream at 150 feet or so.

If the great outdoors doesn't appeal, you could always follow the example of Carl Brewer in the U.S. last year. He flew a

tissue-covered indoor kite to an "altitude" of 245 feet inside the Kingdom Hall in Seattle.

ADDRESSSES: Kite shops: Greens of Burnley, 336 Colne Road, Burnley, Lancs; Kite and Balloon Company, 613 Gerrard Lane, London SW18; Kite Store, 69 Neal Street, London WC2.

Greenery and parks in desert Abu Dhabi

THREE YEARS ago I visited the United Arab Emirates to check for myself accounts I had heard of the remarkable horticultural and forestry expansion that was taking place there. I found the very new city of Abu Dhabi growing at an explosive rate in a desert, over a considerable area, green with trees and shrubs planted in wide central reservations down many of the main streets and filling charming little gardens in the centre of many of its very large roundabouts.

Three parks, one in the centre of the city, two more on its western perimeter, already had an astonishingly mature look though they were barely three years old and much of the hundred mile motor road to Al Ain in the interior was bordered by trees and shrubs planted in some places in such depth that they really deserved to be called forestry rather than mere fringe parkway plantings.

But much of this was still very young, some trees actually being planted as I drove out and many only a foot or so high. Nearly all were watered by trickle irrigation from boreholes made at frequent intervals to tap the water that can be found in many places at depths of from 150 to 250 ft beneath the desert surface. While these trees really stand up to the severe summer conditions with temperatures up to 120 deg F, no shade of any kind and, as one proceeds further from the coast, an almost complete lack of atmospheric moisture which in Abu Dhabi itself makes life

a little more tolerable for plants though not for people? I had no idea, though all the forestry experts I spoke to in Abu Dhabi were confident of success.

So I was delighted to have the opportunity to escape briefly from an exceptionally dismal Arabian winter to revisit the British Gulf and see what had really been happening in those intervening years. What I found not only confirmed the optimism of the forestry men but revealed an entirely new story of horticultural and agricultural expansion.

In 1979 I had visited the government horticultural research station on Sadiyat Island which lies side by side with the similar almost featureless sand-bank on which Abu Dhabi is built. I had also visited the French research station near Al Ain where the sand is neither saline nor strongly alkaline as it is near the coast and so the problems for growing crops are less severe. But both these stations employ very modern methods of hydro-culture using the sand purely as an inert aggregate and providing all necessary plant nutrients in solution by trickle irrigation.

Old and simple methods of flood irrigation are being adapted by using concrete gutters or metal pipes to distribute water evenly over levelled fields or, at the 650-hectare farm run by the Government's Agriculture and Animal Research Department at Al Oha not far from Al Ain, irrigation by impulse sprinklers as practised in most western countries including Britain. At Al Oha water is drawn from 45 wells, each from 200 to 250 feet deep, fed into

and grown to its present size in the large extensions. The whole Al Ain area derives much of its water from the mountains to the east from which man-made oases have been fed by underground water courses for at least 3,000 years. There are other areas of cultivation following the Hajar range northwards all the way to Ras Al Khaimah and also in the narrow strip of cultivatable land on the eastern side of the mountains mainly in the Emirate of Fujairah. In all these places farms are increasing in number. Many boreholes are being sunk for water. The use of fertilisers, even for the traditional date plantations, is being encouraged, pests and diseases are being fought and, as a result, yields are steadily increasing.

GARDENING

ARTHUR HELLER

and covered storage tank holding 450,000 gallons. High nitrogen fertiliser and manure are spread in the normal way and are dissolved and carried down into the sand by the overhead irrigation.

Here I saw 415 hectares of wheat giving a yield of 3.0 to 3.5 tonnes per hectare and nearly ripe for harvest in early March. Top quality potatoes were being lifted and were yielding to 8 tonnes per hectare, broad beans were coming in at the end of their cropping period and other crops included dwarf peas and onions, both looking in excellent condition. This farm, intended to extend experiment to a viable commercial scale and standard, had started in 1977 with 156 hectare

and grown to its present size in the large extensions. The whole Al Ain area derives much of its water from the mountains to the east from which man-made oases have been fed by underground water courses for at least 3,000 years. There are other areas of cultivation following the Hajar range northwards all the way to Ras Al Khaimah and also in the narrow strip of cultivatable land on the eastern side of the mountains mainly in the Emirate of Fujairah. In all these places farms are increasing in number. Many boreholes are being sunk for water. The use of fertilisers, even for the traditional date plantations, is being encouraged, pests and diseases are being fought and, as a result, yields are steadily increasing.

Though I had insufficient time to visit them, I was told that similar expansion is occurring in the southern region of Abu Dhabi particularly around the Liwa oasis where date palms have been grown for centuries and that in one small area here, where there were only 20 farms in 1976, the number had climbed to 120 by 1980, the first year for which official statistics are available. Already some of the enterprising New Zealand nurserymen, to whom I referred recently because of their penetration of the British market, have sensed profit in the Emirates and in June last year a consortium with local support opened a nursery at Sweihan between Abu Dhabi and Al Ain. This company,

Dhafir Hortex, intends to introduce and acclimatise plants not as yet readily available, including many New Zealand natives such as coprosma, olearias, pittosporums and Ribes.

The stock already available, all well established in containers, exceeds 80,000 and is rapidly growing. The young plants, flown in from New Zealand in about 36 hours, are acclimatised in Net-protected shade houses with capillary watering, but are moved outside for an adequate period before being marketed. This enterprise is split so young that it is impossible to assess its prospects but from the scale of the planting throughout the Emirates it would seem to have considerable potential.

The rapid increase and up-grading of farming appears to have three major aims. First, it is intended to slow down the drift of young people from traditional areas of settlement into the new cities. Second, it should provide some fallback employment as the oil commences in run out. The third aim is to make the Emirates a little less dependent on imported food in the event of a crisis.

Edmund Peening-Rowsett's article on wine ("What the traffic will bear") last Saturday contained an error—a tonneback was described as being equal in quantity to 10 dozen bottles of wine when in fact it is 100 dozen bottles of wine.

Specialist

BOOKS

Finding a voice of their own

BY MALCOLM RUTHERFORD

The Politics of Change by William Rodgers. Secker and Warburg, £7.95, 199 pages

The problem of the Social Democrats, it is increasingly clear, is that they have insufficiently distinguished themselves from the two established major parties.

Mr William Rodgers becomes the third of the original Gang of Four to produce his political testimony. After Dr David Owen's *Face the Future* and Mrs Shirley Williams's *Politics is for People*, we now have *The Politics of Change*. At the end of the day, however, we are left with the impression that the Social Democrats are a pretty dry lot, concerned mainly with minor changes in vocational training and education.

Mr Rodgers begins by saying that this is a "highly personal book." If so, he is asking us to believe that politics—and politics in a fairly narrow basis—matters to him almost more than anything else. There is very little in it about real life as experienced by real people. When personal examples are given, they are dressed up almost as abstractions. The book fits oddly with the Mr

Rodgers who, in conversation, is amusing, lively, interested and interesting. Personal illustrations—for instance, his experience in his constituency—are kept out. I would have preferred a more autobiographical note.

There is a more fundamental point. Nothing in Mr Rodgers's programme could not be pursued by a reformed Labour Party, and most of it could be pursued by a reformed Labour Party. Indeed some of it—like the striving for a long-term incomes policy—might be pursued by an unreformed Labour Party.

Mr Rodgers devotes a chapter to what is popularly known as Thatcherism, but which he chooses to call "reborn Conservatism." He builds a model composed of four elements, then seeks to demolish it. The elements are: strict non-intervention in industry; the belief in the incentive effect of cuts in direct taxation; the desire to cut public expenditure for its own sake; and the reliance on control of the money supply to reduce inflation.

Yet though that might be Thatcherism in theory, the practice of the last three years

or so has been quite different. Mr Rodgers has made the common error of mistaking the rhetoric for the reality. Mrs Thatcher's administration is not nearly as radical as she pretends. At the same time, the reluctance to mention the Prime Minister much by name suggests that he has a greater admiration for her than he is willing to admit in print.

Other sections also suggest that Mr Rodgers is by no means impressed by what the present Government is trying to do. For example, there is a call for more "enterprise zones" in the inner cities. (They were once dismissed as the many idea of Sir Geoffrey Howe.) There is, again, a ringing endorsement of the need for greater industrial profitability and the repeated comment that Ministers and civil servants, are not best equipped to make judgments on industry.

It is less obvious how this all fits together. At one stage, Mr Rodgers returns to advocating the old Labour policy of "backing winners in key areas of high technology." The biggest contradiction of all concerns incomes policy; also a substantial part of the book. It is not

at all clear how he would reconcile greater economic freedom, higher company profits and less government interference with the sort of approach to incomes that he proposes.

In one way, he is extremely honest. He wants an incomes policy not just to control inflation, but for its redistributive effects. This leads him straight back, however, to interventionism. Thus, "a low pay objective might be set so that no one should earn less than the hourly equivalent of 60 per cent of two-thirds of median earnings." And again, if shareholders seemed to be benefiting unduly, the Government might have to be armed with "statutory powers to enforce selective price reductions where, as a result of pay restraint, profits rise above a stated threshold."

Here Mr Rodgers is back in the Labour Party. When he writes that any approach to a long-term incomes policy would have to be worked out before a Party took office, he is talking precisely the same language as Mr Michael Foot. There is also a striking similarity with what Mr Foot is seeking now, when the author calls for a "joint economic assessment of the

immediate and medium-term prospects for the country" between the Government, the TUC and the CBI.

Of course, it might be argued that a new party would naturally borrow from the old—from Tories and Labour alike—in an effort to represent the best of both. But it seems to me that it is not that clear-cut. The problem for the SDP is that there are still too many social democrats left in the old parties.

Much of Mr Rodgers's brief analysis of what is happening in British society is admirable, and right. He points out that we are now living on economic growth that occurred mainly before 1970. The reality that clouds the future is lack of growth in the past decade or so; and this will become apparent when children of that period grow up. Indeed, it is already happening, hence partly the troubles in the schools. But other people in other parties are capable of reaching the same conclusion. A perceptive view of social development is not necessarily a sufficient base on which to form a new mass party.

The case that Mr Rodgers is really making is that Britain



Honeymoon days: William Rodgers on the platform with Liberal leader, David Steel. Mr Rodgers's book stating his political aims is reviewed today

would be better governed if there were fewer changes of government, and if governments did not feel obliged to change their policies in mid-term in order to attempt to win the next general election. At one stage, he almost calls for a Septennial Act; but backs away because he does not think that it would get through Parliament. But again, everybody

knows that. We have yet to learn what to do about it. And what would happen if we had a Septennial Act followed by a really bad government?

Mr Rodgers is arguing for a middle way, and for politics to catch up with the social change that has undoubtedly taken place. Whether the Social Democrats will be called upon to provide the answer depends

largely on the performance of the two big parties between now and the election. Neither of them has yet quite committed suicide. And if the canon of the basic texts of the new Social Democracy is now complete, it is not intellectually all that distinguished. There is more than a touch—in Professor Dahn's phrase—of "A Better Yesterday."

Fiction

No safe havens

 BY ADAM MARS-JONES

The Safety Net by Heinrich Böll. Secker and Warburg, £7.50, 314 pages

Mid-Century Men by Arthur Hopcraft. Hamish Hamilton, £7.95, 254 pages

Travels to the Enu by John Lind, Eyre Methuen, Methuen, £6.50, 126 pages

The title of Heinrich Böll's new novel *The Safety Net* refers to the security arrangements required for the protection of a public figure, the bodyguards, dossiers and microphones; and already, with the word "net," begins to suggest the negative aspects of such precautions.

The hero, Fritz Tolm, inherited a newspaper after the war, absent-mindedly presided over its expansion, and in the opening pages of the novel finds himself elected president of an industrial association, a position of great influence and greater vulnerability. His particular liabilities include ill-health, a mild, indecisive temperament, and a son, Rolf, who is a former political activist. Rolf's estranged wife now lives in

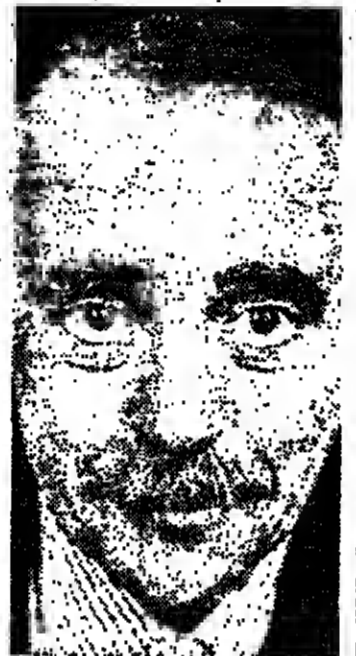
hiding with a terrorist. The book, which dramatises the plight of this severely endangered and protected man, combines melodrama with family saga. A great deal happens in a matter of days but the necessary background information arrives in awkward blocks. The Nobel Prize (which Böll won in 1972) is not awarded for narrative clarity, and the reader often deserves more help than he gets.

This is a shame since the book would develop a momentum sooner without so much painstaking preparation. Tolm is protected from opening a door for himself, protected from knowing who is responsible for his daughter's pregnancy (a security man, as it turns out, who else?), even protected from reading a suicide note addressed to him. Eventually he must override all this protection; the security turns out to be the opposite of life, as well as of death.

There is a touch of sentimentality and wishful thinking in the way the hero, surprising himself, as well as others, expands under pressure; but there is much else besides.

There are sharp glimpses of Germany during the war (the recycling of "enemy textiles," meaning blood-soaked and bullet-ridden clothing) and after it; a doctor remembers the SS tattoos he was called on to remove, in a community which now shuns him because of his daughter's politics. And the hero's not-quite-convincing progress through greater and greater confinement to a new sort of freedom is accompanied by a series of satisfyingly ironical scenes; Tolm and his wife relive their courtship by writing each other notes, and arrange a rendezvous under a shared umbrella during a rainstorm, but only to talk (as they think) without being recorded by their protectors.

Arthur Hopcraft's *Mid-Century Men* is also an attempt at a political novel, though its themes are corruption and freedom of the Press rather than terrorism and the freedom of the individual. The central figure (like the author) is an ex-journalist and a writer of television plays, who becomes involved in the informal investigation of a lifelong friend, now a minister at the Home Office.



Heinrich Böll: dangers of security

But the revelations, when they come, are not enough; and in any case they emerge independently of the investigation. There is never any feeling that politics might be a world that includes other worlds; public life might be a championship darts for all the breadth and depth it is given here.

The growing intimacy between the hero and a zealous young reporter is handled with delicacy and tact; but then tact is the only truly dispensable quality in a novelist.

The bluntness of English life has had no effect on Jakob Lind, though he has lived here for nearly 30 years; in *Travels to the Enu*, his first novel written in English, he sets off at a great pace, by way of a mysterious sea cruise and a time-warping voyage to the island world of the Enu, where islanders carry birds around in their headresses, and indeed worship and obey them. Chapter Two, in which the King of the Enu dispenses summary justice on the castaways, is a splendid set-piece; thereafter the elements of fable and satire get a little out of hand, and the book, though always vivid, becomes fragmentary. It would be more satisfactory at twice the length; a pronouncement that a proscry reviewer never makes lightly.

Bozzy in a tizzy or two

 BY PETER QUENNELL

Boswell: The Applause of the Jury 1782-85 edited by Irma S. Lustig and Frederick A. Potte. (The Private Papers of James Boswell.) Heinemann, £15.00, 419 pages

Here is the twelfth, but by no means the last, volume of James Boswell's *Private Papers*, the great literary monument that began to emerge over 30 years ago and now forms one of the largest, boldest and most revealing self-portraits in the history of European literature.

It is more valuable even than Rousseau's *Confessions*; for Boswell was completely innocent of Jean-Jacques's paranoiac bias and sought determinedly to tell the truth, however injurious it might perhaps appear. He had "a kind of strange feeling," he wrote in the 1770s, a particularly dissipated phase of his personal life, that he wished nothing to be secret that concerned himself"; and throughout his whole adult existence Boswell retained the habit of observing and analysing his own curious personality; and trying to discover—sometimes a difficult task—exactly who and what he was.

During the period covered by the present volume, from 1782 to 1785, the course of Boswell's life was comparatively decorous and harmonious. On August 30, 1782, he had lost his father, the sternly upright Scottish lord. He was now the Laird of Auchincrye and had decided that henceforward he would protect and improve the estate he had inherited—a decision that continued to steady his nerves until the opening of the New Year. Though "alas! There was no affection between us," he must do his father's memory the idea of an after-life, secure the old laird's posthumous

approval: "I thought I was doing what he approved and I wished always to preserve the notion of his seeing what I was about." An estimable frame of mind. Unfortunately, he soon beard London's call. He had been tolerably successful at the Scottish Bar, and had achieved some popularity. At its Southern equivalent, might he not hope to cut a dashing and conspicuous figure? Besides, he could then regain the capital and, as he had always longed to do, re-enter "the wide speculative scene of English ambition," where he had spent his happiest and busiest days.

In the next volume of Boswell's *Private Papers* we shall learn how dimly his plans miscarried. Neither at Westminster Hall nor on circuit could he secure a single brief; and his attempts to join the House of Commons, with the help of Lord Londsdale, a rough and boorish peer, who owned both humiliating and disgusting appointments, Londsdale said that if Boswell were put up, he would undoubtedly "get drunk and make a foolish speech." But these calamities were yet to come; and, meanwhile, Boswell had Johnson's moral support and the company of his beloved children and his devoted wife Margaret, a wonderfully tolerant lady; though she refused to share her husband's "feudal enthusiasms," and considered Doctor Johnson an unthoughtful and tiresome guest.

Of Mrs Boswell, Johnson once remarked that she had "the mind and manner of a gentleman; and such a person and mind as could not be... either admired or condemned." But the letters printed here show that, in addition to her fine domestic qualities, she had a delightful sense of humour. She must have needed it. Boswell's temper was explosive:

"... I was irritable in a sad degree (he writes) and upon some careless expression of my dear wife's which hurt my pride, I burst into a paroxysm of horrible passion... I put some shirts into my greatcoat pocket, got upon my horse, and rode out in a hurried duality which way I should go to be from home."

Boswell: The Applause of the Jury includes many illuminating and amusing episodes, though nothing quite so dramatic as, for example, his account of his first meeting with "the celebrated Mrs Rudd," an intrepid adventurer and seductive courtesan, who had once narrowly escaped the gallows. The two major events described here are the death of Johnson, on December 13, 1784, and the successful and widely noticed publication of the *Journal of a Tour to the Hebrides*, which appeared in the autumn of 1785 and was quickly sold out. The loss of Johnson, Boswell observes, left him "stunned, and in a kind of amazement," too shocked indeed to shed tears. It was a demoralising blow; the removal of his substitute father had the effect that, for the remainder of his life, he never wholly overcame; and by the time he had produced his *Life of Johnson* his mental and physical health were past repair.

Today we should probably label him as a life-long manic-depressive. In good moods he was inclined to display an almost uncontrollable exuberance, which did his reputation serious harm; but his wild bursts of energy and gaiety were often succeeded by bouts of "uneasiness," themselves followed by "a kind of dull indifference, a sort of callous stupor," from which dispassion seemed the only refuge. "I was in such miserable spirits (he wrote on August 7,

1783) that I resolved to drink a great deal of wine. I did so, and afterwards played in cards. In short, it was a day not to be remembered with satisfaction."

Like its predecessor, *The Applause of the Jury*, has been admirably edited; and its editors, Professor Frederick A. Potte, the dean of Boswellian and Johnsonian studies, and Doctor Irma S. Lustig, point with proper pride to a series of notes "now published in their entirety for the first time." They report a conversation between Boswell, a painter named Lowe, and Mrs Desmoulin, one of Johnson's elderly female "pensioners," who, during his marriage, had known his household well and sat beneath the same roof. "After dinner," the Doctor had retired to take a nap. "Boswell and Lowe questioned Mrs Desmoulin about Johnson's sexual propensities, and whether he had been impotent. 'There was never a man,' she replied, 'who had stronger amorous inclinations than Doctor Johnson. But he conquered them.' And she proceeded to explain how many a night, while his wife, who 'drank shockingly,' occupied a separate room, she had sat with him at his bedside... and had my head upon his pillow." He would then kiss and fondle her; but 'never did anything beyond the bounds of decency. He'd push me from him and say 'Get you gone!'

Boswell headed his manuscript "Extraordinary. Johnsoniana—Taccoda" and in his biography, though he included one sentence on the subject, he resolutely kept his word. This resolution must have cost him a considerable effort; and, luckily for us, he did not apply it to his unsparing recital of his own misdeeds.

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Heart of England	9.50	9.75	11.00	—	3 mths. notice 10.75, 5 yrs., 11.75
Hearts of Oak and Enfield	9.50	10.00	11.50	11.75	5 yrs., 11.25 6 mth., 11.00 4 mth.
Hendon	10.00	10.50	—	11.50	6 mths., 11.25 3 mths.
Lambeth	9.50	10.00	11.75	12.00	5 yrs., 11.75 6 months' notice
Lewingston Spa	9.00	9.85	13.20	11.35	1 year
Leeds and Holbeck	9.50	9.75	11.50	11.75	5 yrs., 10.75 1 mth. int. penalty
Leeds Permanent	9.50	9.75	11.00	11.75	3 yrs., E.L. a/c £900 min. 10.75
Leicester	9.50	9.75	11.00	11.75	5 yrs., 11.25 4 yrs., 10.75 3 mths.
Liverpool	9.50	9.75	11.05	11.75	5 yrs., 10.90 1 mth. int. penalty
London Grosvenor	9.50	10.25	12.00	10.75	3 months' notice
Morpington	10.50	11.00	—	—	—
National Counties	9.75	10.05	11.05	10.75	35 days' notice min. dep. £500, 6 mths., 11.15 mth. dep. £500
Nationwide	9.50	9.75	11.00	11.75	5 yrs., £500 min. 90 days' notice. Bonus a/c 10.50 £2,500 min., 10.75 £10,000 + 28 days' notice
Newcastle	9.50	9.75	11.00	11.75	4 yrs., 10.75 2 mths' notice or on demand 28 days' int. penalty on min. balance over 6 months
New Cross	9.50	9.75	—	—	9.75-10.50 on share accs., depending on min. balance over 6 months
Northero Rock	9.50	9.75	11.00	11.75	5 yrs., 11.25 4 yrs., 10.75 3 yrs.
Norwich	9.50	9.75	11.25	10.75	3 yrs., 10.50 2 yrs.
Paddington	9.25	10.25	11.75	11.25	Loss 1 month int. on sums wdn.
Peckham Mutual	9.50	10.50	—	11.00	2 y., 11.50 3 y., 12.0 4 y., 10.75 Bns.
Portsmouth	9.85	10.05	11.35	12.10	(5 yrs.) to 11.50 (6 mths.)
Property Owners	9.75	10.25	11.75	11.75	4 yrs., 11.75 6 mth., 11.05 3 mth.
Provincial	9.50	9.75	11.00	12.00	4 yrs., 11.25 3 yrs., 10.75 1 mth.
Skipton	9.50	9.75	11.00	10.85-11.00	28 days' interest penalty
Sussex County	9.75	10.00	12.25	11.00	instant withdrawal option
Sussex Mutual	9.75	10.25	11.50	10.50-11.75	all with special options
Town and Country	9.50	9.75	11.00	12.00	5 yr., 11.75 3 yr., 60 dy. wdl. not., 11 2 mth. not./28 days' int. pen.
Wessex	9.75	10.75	—	—	—
Woolwich	9.50	9.75	11.00	11.75	3 yrs., £500 min. 90 days' not. on amt. wdn., 10.75 £500 3 mth. not., 11.25 5 yrs., 11.25 4 yrs., 10.75 3 yrs., 10.25 2 yrs., 11.05 Golden key 28 days' penalty interest
Yorkshire	9.50	9.75	11.00	11.25	5 yrs., 11.25 4 yrs., 10.75 3 yrs., 10.25 2 yrs., 11.05 Golden key 28 days' penalty interest

Coote club

Sweet Freedom: The Struggle for Women's Liberation by Anna Coote and Beatrix Campbell. Picador, £1.95, 258 pages

Anna Coote and Beatrix Campbell, two journalists, veteran activists in the struggle to extend our choices, offer *Sweet Freedom* as an "interim report" on the women's movement in this country. Their book is a collection of essays, each of which stands on its own under a label: Work, Family, Legislation, Unions, Learning, Culture, Sex. Each is a survey of theory and practice, a desire and reality. They manage to blend ideas and events to help us achieve a perspective often lacking when we have to make a choice about whether to "think" or "do" something about a problem.

The authors admit they are optimistic. Not all of us would agree that their last chapter, entitled *The Future*, is, as billed, a "powerful strategy." For their optimistic alternative strategy for the crisis explicitly does not question whether redistribution of wealth in our society, their characterisation of the "male left" plan, is an adequate view of "economic measures necessary to promote recovery and reduce inequality."

EVA KALUSYNSKA

Years of France's shame

 BY ERIK DE MAUNY

Vichy France and the Jews by Michael R. Marrus and Robert O. Paxton. Basic Books Incorporated, New York, £9.50, 432 pages

After the collapse of France in June 1940, the Vichy régime brought ignominy upon itself in a variety of ways, but in none more pointedly than in its treatment of the Jews, first of those many thousands who had come to France as refugees, later of native-born Jews as well. The stunned confusion in which defeat left the entire French people, coupled with the search for scapegoats, goes some way to explain this saga of systematic callousness, but not very far.

At first, outside observers tended to attribute Vichy's growing array of antisemitic measures to German pressure. But in this closely-documented study, Professor Marrus, of the University of Toronto, and Professor Paxton, of Columbia University, have drawn on a wide variety of sources, including German, French, British and American archives as well as Jewish research organisations, to demonstrate with painful clarity that, except for the very final phase, it was Vichy which took the initiative in the anti-Jewish campaign; indeed, this was one of the ways in which the Pétainist régime sought to shore up its administrative sovereignty.

It adopted a *Statut des Juifs* in October 1940, and under the general direction of the Commissariat for Jewish Affairs set up in March 1941, Jews were increasingly subjected to every form of discrimination: they were forced out of the public services and education, bedged in by a *numerus clausus* in the professions, their businesses and property liquidated or "aryanised" by compulsory sale to non-Jews; and eventually, even

Jews whose families had been resident in France for many generations were stripped of citizenship, rounded up, and despatched to the extermination camps in the East.

None of this could have happened, however, had it not been for a persisting virus of antisemitism deeply embedded in French soil. In the 1790s, France had been the first European nation to accord full civil rights to Jews. But throughout the 19th century and into the 20th, French antisemitic propagandists such as Edouard Drumont and others constantly stirred up hostility to the Jews. In the 1920s and 1930s, France had opened her doors to vast numbers of immigrants and refugees; but in the depression years, increasing competition for jobs easily bred anti-Jewish sentiment, and the French Right found a natural focus for this in Leon Blum's Popular Front government. The

groundwork for later horrors had been laid even before the outbreak of war.

Vichy's anti-Jewish programme thus raised little public protest in its initial stages. The French were chiefly preoccupied with the fate of a million and a half French prisoners-of-war in German hands and with the bare struggle for survival; and later, the introduction of the hated *Statut des Juifs*, in which many thousands of French were sent to work in German factories, tended to mask the far worse fate that was steadily overtaking the Jews. It was only from the summer of 1942 onwards, as the Germans tightened their grip, as the death convoys from Drancy, northeast of Paris, to Auschwitz assumed a regular rhythm, and as the outlines of Hitler's Final Solution began to emerge, that there were stirrings of popular revulsion.

It could be claimed that the authors have painted too dark a picture. In the end, some 76,000 Jews were deported from France to the death camps, of whom some three percent survived. Many more might have survived, however, but for the ministrations of Vichy officials such as Xavier Vallat and the unspeakable Darquier de Pellepoix, and the Vichy policy of making Jews readily identifiable to their persecutors by stamping the word "Jew" on identity cards and ration books.

On the other hand, many ordinary French men and women risked their lives to shelter Jews and save them from destruction. The authors pay due tribute to such acts of selfless heroism, but their purpose lies elsewhere: to illustrate how the poison of antisemitism can lead even a civilised society into barbarities only the most horrific for being allegedly based on sound ideological and eugenic principles.

Sinden speaks

 BY B. A. YOUNG

A Touch of the Memoirs by Donald Sinden. Hodder and Stoughton, £7.95, 256 pages

I have to confess that when I see another actor's autobiography, even if he is a good actor, perhaps a nice one as well, my heart drops for a moment. The formula is almost as invariable as Desert Island Discs. We have the little bit about childhood in the country/town/foreign land. We progress, sometimes after an interval in real life, like earning one's living, to drama school, where we win/don't win the Harold Hobson Prize for French drama. After that it's just a fixture list, with potentially another

interval to get married in. A *Touch of the Memoirs*—is just like this. What's more, it's only the first of two volumes or so, and ends in 1980. It is much the most amusing book by an actor that anyone has written since David Niven.

Donald Sinden is a compulsive teller of anecdotes, relevant or not, and he tells them uncommonly well. I think he has some into two volumes because he can't resist attaching an anecdote or so to anything that happens. His memory of playing *Rosencrantz* at the Bristol Old Vic leads to two and a-half pages of *Howie!* stories, about Noël Coward, Russell Thorndike, Henry Irving, Max Beerbohm, and Lichtengern, and his friend

Henrich, none of whom were in that production, all of whom are worth mentioning in the context.

So we have childhood at Ditching (Adriaan Bault), Mrs Gill, Mrs Hilton Phillips, and work as a jockey, work as a Mohite, Entertainment Society, Eastern Region, real work in theatre; marriage to Marion Mahony; better work in theatre; work in the Royal Opera House, Covent Garden; the most beautiful Ford I have ever seen; a person I have never seen since; seven-year contract with... It's all there for the reader to look; but it's what happens between that makes the difference.

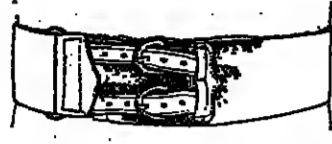
All the same, he's got a Swallow linerick wrong.

HOW TO SPEND IT

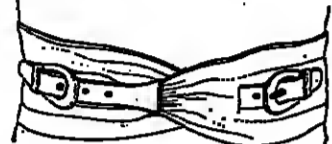
by Lucia van der Post

What a waist!

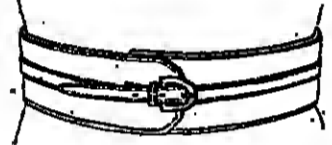
THE bad news this summer is that waists are going to be exceedingly prominent and that, pace the Duchess of Windsor, it will be impossible to be too thin. The good news is that there are some very attractive wide, cinch-belts around which to emphasise and encircle all that fashionable thinness.



Sturdy stable belt in khaki canvas, part of a much more up-to-date look that is creeping into some of Burberry's merchandise. £11.50 (p.p. £13.00) from Burberry, 13-22 Haymarket, London SW1 and 265 Regent Street, London W1.



Otto Glanz is a name to look out for in the belt departments - his designs are nearly always up to the minute and have an unmistakable air of chic. The soft leather cinch belt comes in a variety of colours including maroon, white, agavegreen, pewter, or bronze. £19 from belt departments in Harrods; Fenwicks of Bond Street, London W1; Bagatelle of George Street, Dublin and Emma Somerset, Stevenson Square, Manchester.



Another belt from Otto Glanz, this time a khaki, white, red, brown or blue leather double belt. £18.50 from branches of Fenwicks.



Fendi the Italian luggage and leatherware company has produced just one belt for the summer - a triple hocked belt in a variety of different coloured leathers. In red, white, green, mauve, khaki and other colours, it is £36 from Fendi, 37 Sloane Street, London W1.



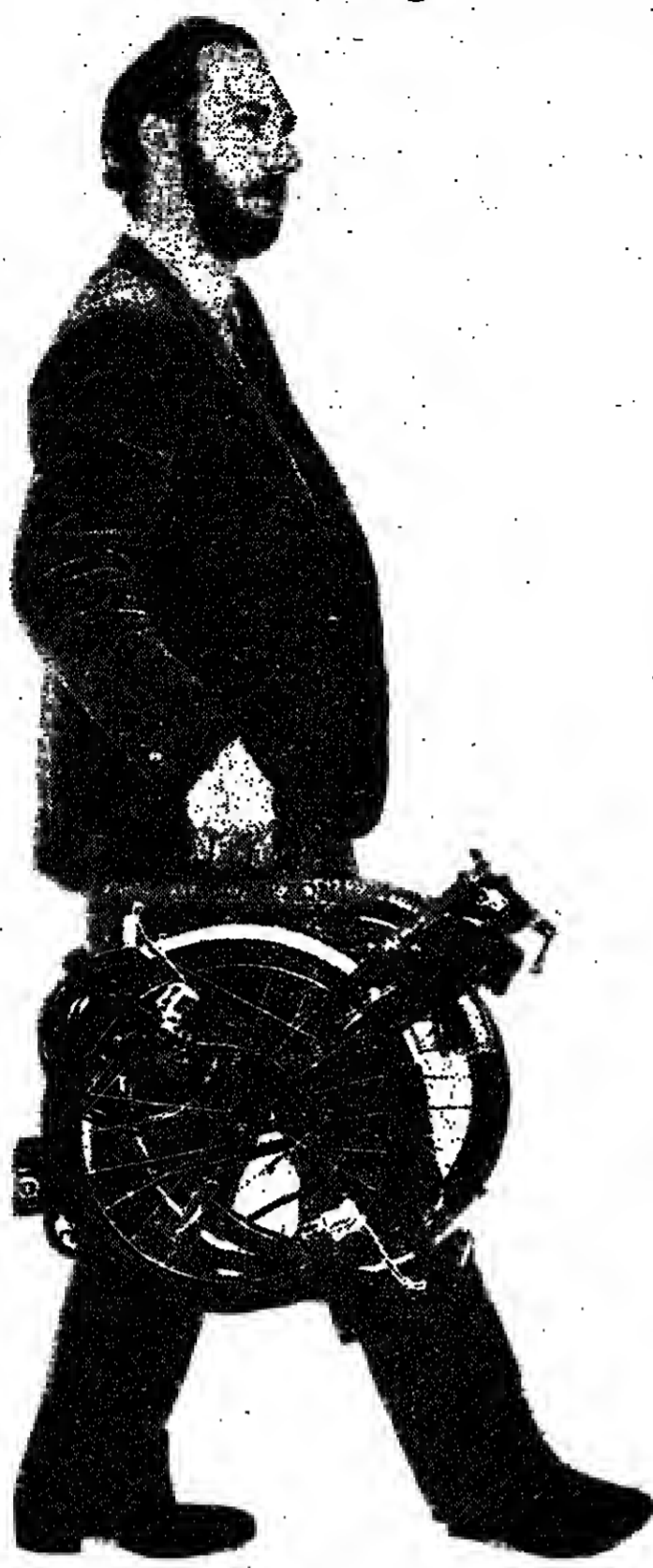
Possibly the most extrovert-looking belt around this summer is Claude Montana's laced version in poppy red and bright blue. So distinctive it will make any outfit. £88 (£150 p.p.) from Harvey Nichols, of Knightsbridge, London SW1.

Loden Sale

Special Spring Clearance from Manufacturers. Coats Reduced Normally £69 Now from £49. Tough, warm, fashionable loden coats will never be this price again. Come and try your coat at BORN & BIRD. 83 Bourne Street, London SW1. Tel: 01-730 0155, 9.30-6.30. Also at Grosvenor Gardens, 14 Marston Square, SW1.

COLLINGWOOD OF CONDUIT STREET. To meet the requirements of our international clientele we would like to purchase antique and modern jewellery also silverware, highest prices will be offered, services guaranteed complete privacy and immediate payment. Collingwood of Conduit Street, 40 Conduit Street, London W1RCHJE. Advisory Services 01-4393504.

Wheeling and dealing



Roger Taylor

Carried away

BY NICHOLAS COLCHESTER

THE Brompton folding bicycle must appeal to anyone who is moved by the "elegant solution" to a mathematical or engineering problem. From a package 21 inches square and 10 inches wide emerges a full-sized bicycle with 16 inch wheels, luggage racks front and back, three-speed gears and lights. The transformation takes 25 seconds, without trying. It bails pedestrians when carried out in public.

Andrew Ritchie, 35, has dedicated seven years to the design and manufacture of this machine. He had the basic inspiration in 1975 - that both wheels should move inwards towards the middle of the bike in a bappy sequence of translations and rotations. However, the detailed design problem proved worthy of a Chinese box - the chain, for instance, has to fold automatically and without coming off - and the business of setting up in business turned out to be tougher still.

Ritchie hawked his idea around to some 30 companies in the late 1970s, without finding a taker. The Industrial and Commercial Finance Corporation nearly backed the project, but then changed its mind. In the end Ritchie sold 30 prototype bikes in lieu of equity to friends for £250 each, and thus raised the capital for the firm he needed to go into production himself.

Today Ritchie works with one assistant in a chilly corner of the Old Power House at Kew Station. Surrounded by boxes of bits the pair are currently hand-building the first batch of production Bromptons. With cold hands, and an endemic shortage of cash, and a number of problems arising from subcontractors who are themselves killed by recession, Ritchie knows that this approach has got to change.



Nicholas Colchester photographed, top left, carrying the folded bicycle and, above, en route

out the complications and restrictions which now discourage the bicycling commuter. If it rains, or if you have to work late or feel exhausted, you can take a Brompton on the Underground or climb into a taxi with it in one hand and your briefcase in the other. Of course the feel of a Brompton does not measure up to that of a good full-size bike but it is a surprisingly close approximation. I now thread my way to work on a Brompton through London backstreets. Although buzzed by taxi drivers who know the same by-ways, the Brompton feels stable as I make imperious hand-signals, consult my bicycling guide, and occasionally attempt to do both at the same time. The gears allow nippy starts at the lights and lazy pedalling on the level.

When I arrive at the Financial Times it is reassuring to be able to fold the bike up and take it into the office in the time that it takes to chain a normal machine to suitable railing. Above all it is good to know that the bicycle will not dictate the way I go home in the evening.

MOST new owners of a food processor quickly find that the next thing they want is a really imaginative set of recipes. When the Magimix, the first of the new-wave food processors to be launched in this country, first appeared few of its new owners knew how to make the best use of it. Marika Hanbury-Tenison came to their rescue with the "Magimix and Food Processor

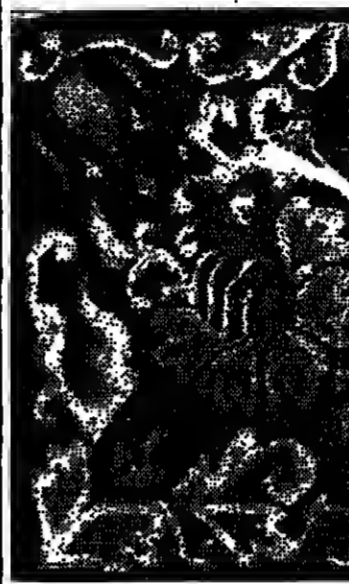
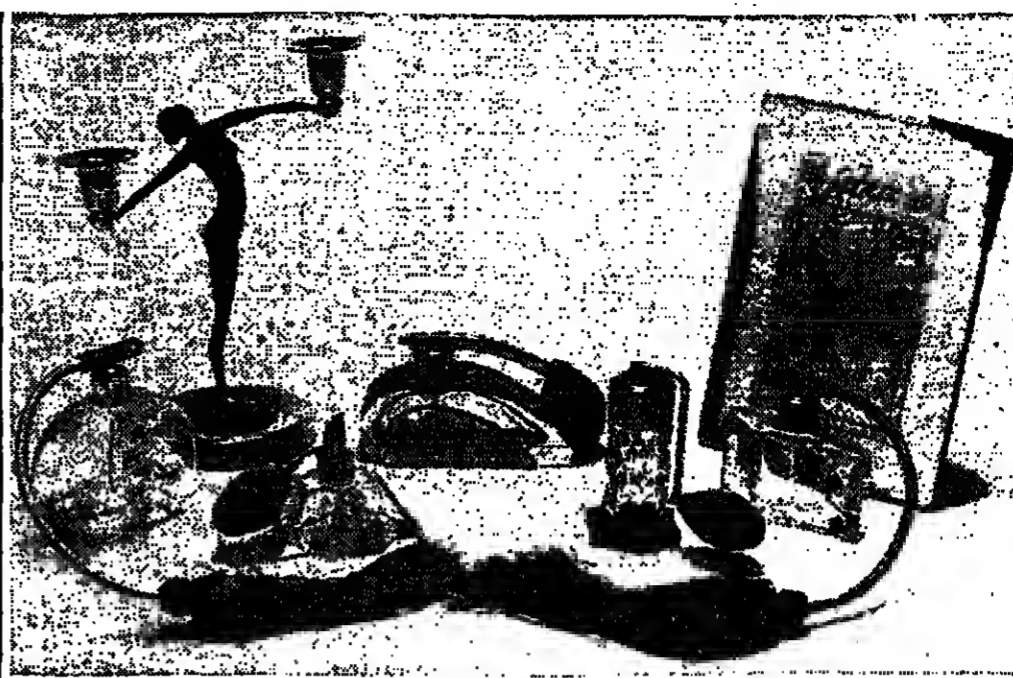
NOBODY needs telling that fares are going up, the trains show an increasing tendency to go on strike and there's nowhere to put the car. It isn't surprising, therefore, that more and more people are considering the option of bicycling. It's not an option I've taken to yet myself - I can't seem to solve the problem of what to wear, how to arrive looking reasonably shavell and nor can I get over my inordinate fear that somewhere along the line a 10-ton truck is going to fall to notice I'm there.

For Londoners who can't be sure if bicycling is for them, or who just want to savour the occasional delights of free-wheeling in the city, the easy way to try it out is to rent a bike. The London Bicycle Company is just the company for them. The branch at 41-43 Floral Street, Covent Garden, London, WC2 offers everything that the older branch of 33-65 Pimlico Road, SW1 offers - that is to say a complete service to the bicycling community, but in addition it runs a rent-a-bike service (telephone 01-836 7830).

From them you may rent a bike (prices start at £2 a day for the simplest model and go on up to £10 a day for the most expensive bike, a tandem). In between there are three-speed, five-speed, 10-speed models, touring models, de luxe ones, tri-cycles, and even static exercise ones.

If, having rented a bike you find it's the form of transport for you, then The London Bicycle Company will not only sell you almost any kind of bicycle you fancy but it offers a whole range of ancillary services as well, from a repair service, to a wide range of accessories and lots of information on the whole subject.

You can also join what they call The London Bicycle Club - for £7.50 a year you are then entitled to 10 per cent off all spares, and repair costs, as well as a preferential repair service (if a repair on your bike takes longer than 24 hours you'll be lent another one free of charge) and a cycle replacement scheme if yours should be stolen.



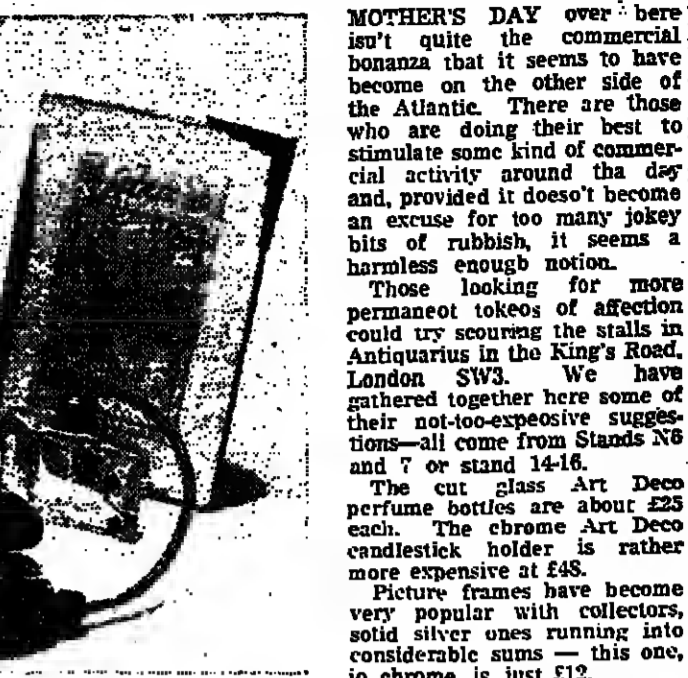
MANY READERS of this page seem to be dauntingly expert in the needlework arts - others seem to make up in enthusiasm for what they lack in skill. However, there must be some who haven't yet become hooked - who look in wonder at the lovely things that other people make and long to know how to get started.

Richard and Elizabeth Adler have produced just the book and just the kits, to enable those who know nothing to start in an easy and trouble-free way and to progress to making intricate designs of their own.

The Adlers have written a book - Needlepoint, A New Look - which in graphic detail not only explains what the whole thing is about from the canvases to the stitches, but also gives many examples of different designs, which any keen enthusiast can then follow and bring to life.

In response to pleas from their readers, the Adlers then started to produce packs which made it easy for anybody to teach themselves not only all about the various stitches, but also what the different effects were of different colours and textures. There is a range of Colourpacks, each using different tones of one basic colour, which can be used either for creating designs or for doing the lettering exercise described in the book. Each Colourpack is £9.95 and the colours offered are peach,

green, pink, apricot/bronze, blue, yellow and neutrals.



Two separate enterprises are the canvases illustrated here. On the left is the perfect canvas for a first project - it is a printed canvas (no need for all that tricky counting of threads) and it is worked in wool and needs only one stitch (tent).

The Adlers call it their Jacobean Design and the wools are in shades of golds, creams and red on a deep blue background. It is £14.95 and the design is printed on 14 single mesh canvases that measure 15 ins by 12 ins. It is bound with ribbon and labelled.

Foreign exchange post at Bank of England

THE BANK OF ENGLAND has appointed Mr. G. M. Gill head of the foreign exchange division to succeed Mr. J. Sangster on his retirement in November. Mr. Gill is chief manager responsible for banking and credit markets.

re-appointed as a part-time member of the UNITED KINGDOM ATOMIC ENERGY AUTHORITY for a further period of three years from March 3. He is managing director of British Nuclear Fuels.

Mr Norman Burrough has taken over as chairman of the family company of JAMES BURROUGH. Lambeth-based distillers of Beefeater gin. He replaces his brother, Alan, who retired at the end of February.

Miss Patricia Lamburn, who is editorial director of IPC Magazines, has been appointed chairman of the IBA's general advisory council. She succeeds as chairman Sir Ian MacLennan who has retired.

Mr Michael Harrison has been appointed director of EXPRESS CATERING FOODS, a division of the Express Dairy Foods Group. He will be responsible for commercial development of the division. He was formerly with IML Air Services as managing director, UK, and director of the international courier division.

ROYAL INSURANCE group head office has appointed Mr D. B. Reynolds investment manager. Royal Insurance, as a deputy general manager, Royal Insurance (Int).

Mr Phillip Ehrlich has been appointed senior representative of BANCO BRASILEIRO DE DESCONTOS SA-BRADESCO

Mr R. R. Erbrich has been appointed senior representative of BANCO BRASILEIRO DE DESCONTOS SA-BRADESCO

£5m engines for patrol vessels

CROSSLEY ENGINES, Manchester, part of NELAPE, has been awarded a contract worth over £5m to supply 10 engines to Hall, Russell and Co, Aberdeen, for five patrol boats which the company is to build for the Government of Hong Kong. The contract has been authorised by the Ministry of Defence. Crossley Engines is to build the 7200 hp marine propulsion engines. Those for the first ship are scheduled for despatch in July 1982.

contractors are Geoplan A/S and John Brown Offshore. The system will give warning in the event of a leakage of flammable or toxic gas, or fire in its incipient stages. A network of detectors and manually operated call points will sound audible and visual alarms around the platform.

DCC of Dunstable has been awarded a British Telecom International contract, worth over £2.5m, for the supply of advanced digital signal processing equipment to be installed at the Madley earth station serving the Intelsat and Eutelsat satellite communications networks.

A £2m order for army boats has been received by the WARD WHITE GROUP from the Ministry of Defence.

HORSTMANN TIMERS AND CONTROLS of Bath has won orders worth almost £2m to supply the East Midlands Electricity Board with its Type VA9 tariff time switches over the next 12 months. The switch will be installed in households adopting the Economy 7 domestic electricity tariff. Its function is to regulate the time at which cheap night rate electricity is supplied to the consumer.

VICKERS DESIGN AND PROJECTS, Eastleigh, has been awarded a contract worth nearly £2m by the Property Services Agency on behalf of the MOD for the modernisation of the ship model towing tank facilities at the Admiralty Marine Technology Establishment hydrodynamics department at Haslar, Hampshire, which carries out Royal Navy model test work on new hull designs.

in London. This representative office is the bank's first to be established outside Brazil and it is intended to open a branch bank office in London in due course, says the bank.

has resigned as chairman but continues as a non-executive director until his retirement from the board at the annual meeting in June.

Mr Mike Rogers has been appointed director of European operations for the ATE company ZEBTEL INC.

Mr David Elderfield has been appointed to the board of MAYWICK (HANNINGFIELD) as technical director. He remains responsible for industrial process heating equipment sales.

Mr Peter Bray and Mr John Mithan have been appointed to the board of IDSTOCK BUILDING PRODUCTS.

Mr Bernard Rogers, finance director has become finance and administration director of MILLS AND BOON. Mr Rogers joined the company in 1981 as company secretary and still retains those duties.

Mr Richard Haswell has been appointed managing director of NORTON AND WRIGHT GROUP. Mr David Rocklin, former managing director, continues as group chairman.

Mr R. S. Punt is to retire from his post as managing director and chief executive of HILLAND AND WOLF on May 31. The board is seeking a successor for the post of managing director.

Mr C. D. Sacerdoti has resigned as a director of TIME PRODUCTS and its subsidiary companies, to pursue other activities. Mr L. D. Michaels and Mr K. J. Brooks join the board.

Mr Frank Oatman will join TMC, the telecommunications member of the Philips Business Systems Group, as managing director on April 1. He succeeds Mr Brian Manley, who will concentrate on his role as Group managing director of Philips Business Systems. Mr Oatman has since 1978 been director of marketing and planning at Plessey Telecommunications.

Mr Phillip Birch has been appointed chairman and managing director of WARD WHITE GROUP. Mr Birch was deputy chairman and managing director.

Mr Michael Walsh has been appointed sales director of the ELGA GROUP.

Mr D. D. De C. has been appointed non-executive vice-chairman. Mr C. E. McWatters

C. F. TAYLOR (METALWORKERS), Wokingham, has won orders for lightweight galleys worth about £1m for five types of aircraft.

Mr Michael Walsh has been appointed sales director of the ELGA GROUP.

SMITHS INDUSTRIES has received the first production order worth over £900,000 from McDonnell Douglas for electronic head-up display units to equip AV-8B Harrier II aircraft of the U.S. Marine Corps. The head-up display system consists of two main units: the pilot's display unit (PDU) with control panel,

BURNDEPT ELECTRONICS has been awarded three contracts by the Home Office for computer-based communications and data systems for UK police forces. All systems are to be built by its subsidiary, Burndept Cytas Systems, Biggleswade. The contracts are together worth £250,000.

ARTS

Philoctetes

BY B. A. YOUNG

Philoctetes which Sophocles wrote in his eighties, some where about 409 BC, is by Greek standards a "modern" play, often having three characters on the stage at once, talking together, influencing one another...

Philoctetes was bitten in the foot by a sacred snake, and his wound was so noxious, and his reaction to it so noisy, that the Greek expeditionary force put him off their Troy-bound fleet and marooned him on the desert island of Lemnos.



James Maxwell

the rocks in the last stages of misery, yet reaches the heights of feeling in his resonant complaints. As Neoptolemus, Robert Lindsay is bland and deceptively honest in manner, even when he is plumbing the depths of treachery.

Good talkers on the air

BY B. A. YOUNG

Other things being equal, I should have nominated The Food Programme for a Pye Award (no joke intended). Radio 4 places it at a particularly useful time, 12.30 on Sunday morning, when in the kitchen preparations are going on for what is traditionally the week's major meal...

about the lifeboatmen of Hastings. Mr Juby didn't go out with the men to a casualty, there being no casualty handy. He talked to them, or rather he got them to talk to him. He is very good at securing uninhibited conversation ("It was a poxy f---ing Afghan dog!" one man recalled of a false chase, and went on firing like a Roman in Britain, and it didn't sound in the least improper.)

Myles the newspaper columnist, O'Nolan the private man. The only kind of programme you could possibly have for Myles, as I call him for short, having heard that his friends in Dublin did, is a programme of men talking. Aidan O'Higgins wrote and narrated the programme, and Maurice Leitch, the producer, has filled it with the voices of Irishmen and women who never sound for a moment as if they were in a studio.

F.T. CROSSWORD PUZZLE No. 4,827

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4A 3DF. Winners and solution will be given next Saturday.

Name: Address:

Grid for crossword puzzle No. 4,827 with numbered squares.

- ACROSS: 1 Clucked out-ring you in Spain (6); 4 Co-player in Emma Tate production (4-4); 10 Opening for shift-foreman (7); 11 Direct, how inside term clothing (7); 12 Drink like a fish (4); 13 Mince-pies Bobby devoured in bishop's office (10); 15 The fat, we hear, of the land (8); 16 Underdone portion of cheese dish (7); 20 Toxophilite-assassin of A Redd-Chester, it is told (7); 23 Gooch's attitude? (6); 24 Brown container? (4-6); 26 Arranges some tennis (4); 28 Vote can be ordered, it is passed in Portugal (7); 31 Pretty cheerful golfer (7); 32 Forking out, remitting about a penny (8); 33 Scottish-football team's red suit (6).

TV/Radio

Television and radio programme listings for various channels including BBC 1, BBC 2, Granada, HTV, Radio 4, TSW, TVS, Tyne Tees, Ulster, Yorkshire, Radio 1, Border, Central, Channel, and Grampian.

THEATRES

Theatre listings for various venues including Apollo, Apollo Victoria, Barbican, Comedy Theatre, Covent Garden, Drury Lane, Dukes, Haymarket, and others.

On the eve of the opening of the Festival of India, K. Natwar-Singh, India's Ambassador to Pakistan, reviews a sumptuous catalogue of Indian miniatures, many of which will be on show from mid April at the British Library exhibition 'The Art of the Book in India'

A labour of love

Office Library acquired miniatures of different schools, prominent being the Dara Shikoh Album, which that lover of art and life gave to his wife, in 1642. Still later the Indian Office Library supplemented the collection with paintings from Rajasthan, Punjab, the Simla Hill States (Pahari School), Central India, Bengal, Orissa and South India.



Raja Dhan Singh, Sikh circa 1840-45

As regards myself, my liking for painting and my practice in judging it have arrived at such a point that when any work is brought before me, either of deceased artists or of those of the present day, without the names being told to me, I say on the spur of the moment that it is the work of such and such a man. And if there be a picture containing many portraits, and each be the work of a different master, I can discover which face is the work of each of them. No wonder the best miniatures were painted during his reign.

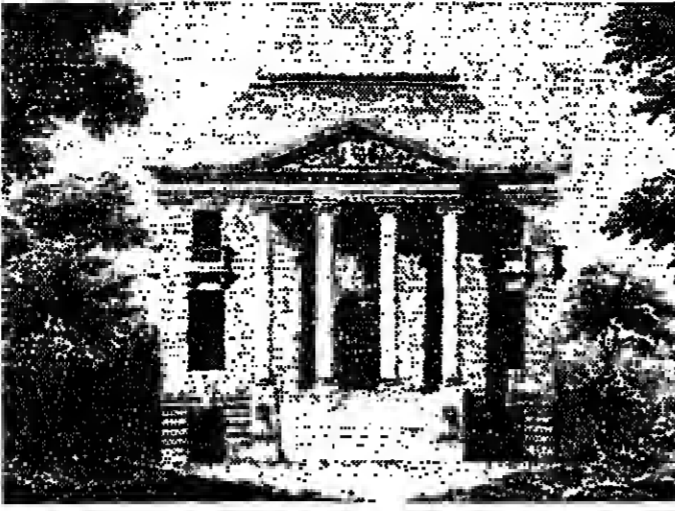
COLLECTING

Drawing for the future

BY JUNE FIELD

WHEN I first wrote about architectural drawings two years ago...

Vanity Fair Cartoons (Through extensive research, Mrs Harris revealed that the 18th century mathematician and astrologer Thomas Wright of Durham...



Pencil, pen and grey ink and watercolour design for a porticoed pavilion in a woodland setting, French School c.1780...

"People are intrigued by the spatial implications of architectural drawings..."

"The most important drawings in the sale are those relating to Thomas Patey and Thomas Stocking..."

Christie's are holding their first Fine Architectural and Decorative Drawings sale on Wednesday...

"Palladio's style in Patey's plans appear..."

For Clifton owns her beauties to his hand..."

The designs cover those for fireplaces, walled-in doorcases, windows, pier-glasses, tables and sofas...

Sotheby's whose sale of architectural drawings on Tuesday, June 25 last year...

field's work on everything from churches to chalices, hospitals to schools...

"When creating a scheme, the architect, engineer, landscape architect and designer produces many drawings..."

For further research, the RIBA Heinz Gallery, 21, Portman Square, London W1...

process of modern design and building," explains co-partner Mary Hawkes...

Although in London Ben Weir has been handling general architectural books, prints and drawings for more than 20 years...

SPORT

A Blue on the Tideway: William Dawkins reports on Boat Race problems

That sinking feeling

ONE OF the oddities about rowing is that while it is seen as the epitome of a team sport...



Dawkins is seen (third from the left) coming up for air

For example, the four-mile course from Putney to Mortlake is the longest in which crews compete side by side...

The Boat Race is also a rowing maverick because the river conditions are often so atrocious that the oarsmen are more in the business of getting to the finish in one piece than giving full scope to their rowing skills.

Indeed, it is occasionally the case that crews never reach the finish at all, as happened to me when I rowed at three for Cam...

The sinking happened for mainly two reasons. First, the crew decided not to protect the boat against what was unusually rough water...

Secondly, the boat shipped a massive amount of water as it steered sharply across the current away from the protection of the bank...

crews must take the centre arches of the two bridges on the course, however had the conditions may be...

Races of a comparable standard—with the exception of "heads" in which crews are individually timed and do not actually confront each other...

Another of the Boat Race's eccentricities is that the crews train for at least four and a half months beforehand...

They may compete at Henley or other international regattas to the summer after exams...

In spite of all these drawbacks, the competition for a rowing Blue is intense...

reserves, in which I was rowing in the engine room at that time and which races over the same course about half an hour before the Boat Race proper...

The most decisive moments of the race came just after the crews passed under Hammer-smith Bridge...

The final fortnight is probably the most important period of preparation for the crew, because it will be at this time that he will become familiar with the peculiarities of the course...

A good cox can be more important to a crew racing on the Tideway than anywhere else...

After all this preparation and excitement, the race itself seems over surprisingly quickly. Nevertheless, it is an experience which few who have taken part in will ever forget.

After all this preparation and excitement, the race itself seems over surprisingly quickly. Nevertheless, it is an experience which few who have taken part in will ever forget.

Ironically, Goldie found itself in almost exactly the same situation as it passed under Hammer-smith Bridge the year before that...

The crews came close to collision, but Goldie won by seven lengths, much of which was taken by holding the inside of the Surrey bend...

For instance, in 1977, the cox of Goldie, the Cambridge crew, died in the race.

The possibility that one may be risking months of effort never to be selected adds a certain piquancy to an already competitive process...

RACING DOMINIC WIGAN

WITH CHELTENHAM behind and the 1982 flat season only five days away, the ante post markets on the first two classics are beginning to come alive...

Plans at Warren Place for the 2,000 Guineas seem to be in the process of changing for what the racing world has anticipated Paradis Terrestre being his flag bearer...

Softly at 10-1 and Stratospheric at 14-1. Turning to today's programme which consists of Lingfield, Newcastle and Uttoxeter following the abandonment of Chestnut, Musso and Midnight Court...

Leading odds on the 2,000 Guineas read 7-1 Sandhurst Prince, 10-1 Wind and Wuthering, 12-1 Achieved and Paradis Terrestre, 16-1 Montekin and Tender King, 20-1 Bar...

NEWMCASTLE 1.45—Midnight Court 2.15—Solo Sam 2.45—Musso*** LINGFIELD 1.20—Mon's Bean 2.00—Charlie Middle** 3.00—Fitzgale*

SPORTS DIARY

RUGBY UNION: France v Ireland (Paris)—Grand Slam decider; Wales v Scotland (Cardiff); today, Rosslyn Park Schools Sevens, March 23-26.

ROWING: Head of the River Race, Mortlake to Putney, today.

REAL TENNIS: Amateur Singles, Hampton Court, today and tomorrow.

WOMEN'S HOCKEY: England v The Netherlands, Wembley, today.

BADMINTON: John Player All England Open Championships, Wembley Arena, March 24-25.

SOCCER: Universities Football Tournament, Bangor, March 23-24.

WOMEN'S LACROSSE: Scotland v England, today.

The Army Game

SERVICES RUGBY, they said, isn't what it was, and hasn't been since National Service ended—those palmy days when stars were called up and brass hats could fight for them.

What I enjoyed about the Army and Navy game was the running and the handling. Peter Robbins recently deployed in an FT article the growling rule of the boot in Rugby...

Insurance brokers Stewart Wrightson sponsors Services Rugby and contributes the competition's trophy. The company's insurance is royally last Saturday.

The scene at Twickers was delightful—Fortnum hampers in the car park, young officers and their Miss Joan Hunter-Dunns behaving in a way that would delight John Dejean.

One of the game's stars was Corporal "Willi" Williams, named recently by the All Blacks as probably England's best uncaught flank forward.

Alan Forrest

SNOW REPORTS FROM EUROPE TO THE U.S.

EUROPE Andermatt (Sw.) ... 130-350 cm Anzere (Sw.) ... 126-260 cm Arosa (Sw.) ... 150-220 cm Crans-Montana (Sw.) ... 160-240 cm Grindelwald (Sw.) ... 60-126 cm Gstaad (Sw.) ... 60-110 cm Kitzbuehel (Aust.) ... 90-210 cm St Anton (Aust.) ... 160-450 cm Isola 2000 (Fr.) ... 150-185 cm Val d'Isere (Fr.) ... 165-270 cm Courmayeur (It.) ... 205-295 cm

THE U.S. Aspen (Col.) ... 17-61 in Hunter (NY) ... 20-113 in Park City (Ut.) ... 128 in Squaw Val. (Calif.) ... 60-135 in Snow (Vt.) ... 60-108 in Sugarbush (Vt.) ... 22-60 in

SCOTLAND Cairngorm: Runs complete. New snow on firm base. Glencoe: Runs complete. Hard packed and some drifts. Glenelg: Runs complete. New snow on firm base. Lecht: Main runs complete. New snow. Scottish forecast: Dry, sunny periods. Some new snow.

THEATRES

SHAW THEATRE, 108 115A, Company of Three productions of THE WINDS OF WARREN. ... MARTINS, CC 838 7443. ... SHAWTHEATRE, 5 CC Southampton Ave. ... WESTMINSTER THEATRE, 324 0203. ... VICTORIA PALACE THEATRE, Evgt 7.30. ... WHITEHALL, Box ofr, tel 01-833 6970. ... WYNDHAM'S, 036 3020, CC 379 0582.

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wishes to purchase Orientalist paintings by the following artists: Gustave Bauernfeind, Georges Clairin, Eugene Delecroix, Rudolf Deutch, Ludwig Ernst, Arthur von Ferraris, Eugene Fromentin, Jean Léon Gérôme, Edward Lear, John Frederick Lewis, Philippe Pevy, David Roberts, Giulio Rosati, Adolf Schreyer, Rudolph Swoboda, Rudolph Weisse

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HARINGEY SYMPHONY ORCHESTRA

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CHATEAU LAFITTE ROTHSCHILD 1971

EXHIBITIONS THE BURLINGTON HOUSE FAIR, Royal Academy of Arts, Burlington House, London W1

ART GALLERIES ALLANS—London's only gallery devoted to textile art...

CLASSIFIED ADVERTISEMENT RATES EFFECTIVE JANUARY, 1982

Table with columns: Commercial and Industrial Property, Residential Property, Business, Investment Opportunities, Personnel for Sale/Wanted, Motor Cars, Hotels and Travel, Contracts and Tenders, Book Publishers. Rates are listed in pounds and pence.

Are you getting the best out of your investments? Nowadays everybody with savings or capital has to become their own financial manager. Awareness, both of how the stockmarket works and the key factors for personal investment, is crucial to success.

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Disinflation hurts too

IT WAS in a sense tactless of the Government to announce the first month of zero inflation for some years on the day that tenders were accepted for the first generally available index. It is a danger against which the new stock offers insurance is receding, then its 2 1/2 per cent real yield begins to look rather modest compared with the 13 per cent money coupon still on offer in conventional stocks. It is correspondingly more attractive than ever to the Government as borrower, the signa are that the Government will push hard on indexed funding until conventional yields fall to a level appropriate to the much more optimistic inflation forecasts now current.

Deep alarm

In a closed economy, this would be easy enough, but the credit market is international, and in American long government bonds yield more than in Britain, while inflation is falling still more rapidly, with intervals of actual price falls. The falling inflation rate is doing more to drive up real interest rates—the gap between interest rates and inflation—than the resumed rise in money rates in the U.S. and the high real cost of credit is still causing deep alarm in the Wall Street community.

High real rates are indeed the most powerful weapon for deflating an economy, as we pointed out last week, and high U.S. rates are affecting inflation all over the world. The crisis meeting of Opec ministers this weekend shows how far the pain has spread. Reduced demand and destocking are keeping the oil market under immense pressure, but the Opec producers are themselves getting into balance of payments problems that are likely to inhibit the production cuts which might stabilise prices.

At the same time, ironically, the difficulties of Opec are helping to keep real interest rates high. The oil producers are no longer adding to the international pool of bank deposits; they have been borrowing, and drawing down their deposits for some months. In the heavy days of credit expansion, this possibility was regarded as a non-problem; one man's deficit is another man's surplus, and the international markets would instantly recycle any money moved out of Opec deposits and into some other form.

Critical eye

Things are not in fact working so smoothly, because depositors—and especially banks—are beginning to inspect the asset side of bank balance-sheets with a critical eye. The Herstatt collapse a few years ago revived the idea that inter-bank deposits are not the world's safest investment; and now, in the days of international debt rescheduling, of the highest U.S. bankruptcy

rate in half a century, of Laker and Stone-Plant, risk assessment is again a vital skill.

As a result, commercial lending rates, especially in the U.S., contain a risk premium as big as the inflation premium; hence the persistence of high real interest rates. The disruption of expected Opec flows has increased this premium, simply because it makes bankers more worried.

More insulated

None of this necessarily means the UK interest rates so fervently wishes them to. The UK is considerably more insulated from U.S. markets than it was only six months ago—a result which the gilt market has been celebrating rather too enthusiastically in recent weeks.

The insulation takes two forms. First, international capital flows have been sharply reduced, and they are the mechanism by which Wall Street influences are transmitted overseas. There is a widening gap between the cost of commercial credit in the U.S. and the yield on risk-free Treasury paper, which is the international benchmark.

It cannot be taken for granted that this double insulation will keep out the chill indefinitely. The full February money supply figures confirmed how heavily British corporate treasurers have been switching into dollars as a rewarding home for their idle funds; and they have been selling these holdings heavily to pay their taxes. This helpful flow is nearly exhausted; it remains to be seen how far reviewing international interest in British bonds (though not the indexed variety), assisted by falling German rates and by a remarkably stable sterling-dollar rate, will support the pound once corporate treasurers are selling rather than buying.

Adjustment pains

In short, we still face all sorts of awkward adjustment pains; it is hard to know whether from a European point of view we should wish for a U.S. recovery, threatening higher rates, or a prolonged recession (still likely, despite slightly less awful figures for February), which threatens slack world trade. Such are the pains of disinflation.

These pains will pass. In the long run, the revived worry about credit risk in the banks is a helpful factor; it will check unwise credit growth without any help from official squeezes, and allow interest rates to fall to a more normal real value. The symptoms we are suffering are those of withdrawal, not disease, and promise better health in the end. But while the symptoms last, they are nasty.

TO HEAR Rupert Murdoch talk, this has been just another week in the life of your average global newspaper magazine.

Dismissing an editor, sidelining a managing director and dodging accusations about improper political interference in his newspaper's affairs seems hardly to have furored Murdoch's brow.

"The greatest contribution we can make to the Times and to the publishing industry is to make it viable," he says. "We are determined to make it work."

But after a year of trauma and tribulation and losses of £13.5m not counting redundancies, is he not tempted to sell the Times and hang on to the potentially lucrative Sunday Times, especially as he says there are "plenty of buyers" around? "Absolutely not," he insists.

Why? "Well, it may sound arrogant," he explains, "but I don't know anyone who could contribute more in terms of management force and experience than I do."

There is, in precise, is the reason why Rupert Murdoch bought Times Newspapers Limited (TNL) 13 months ago and the reason why he maintains it will still own it in 1985, when he expects the group to break even, and in 1987 when he forecasts the Times itself will become profitable. As someone once said, Rupert Murdoch thinks he is the world's greatest newspaperman.

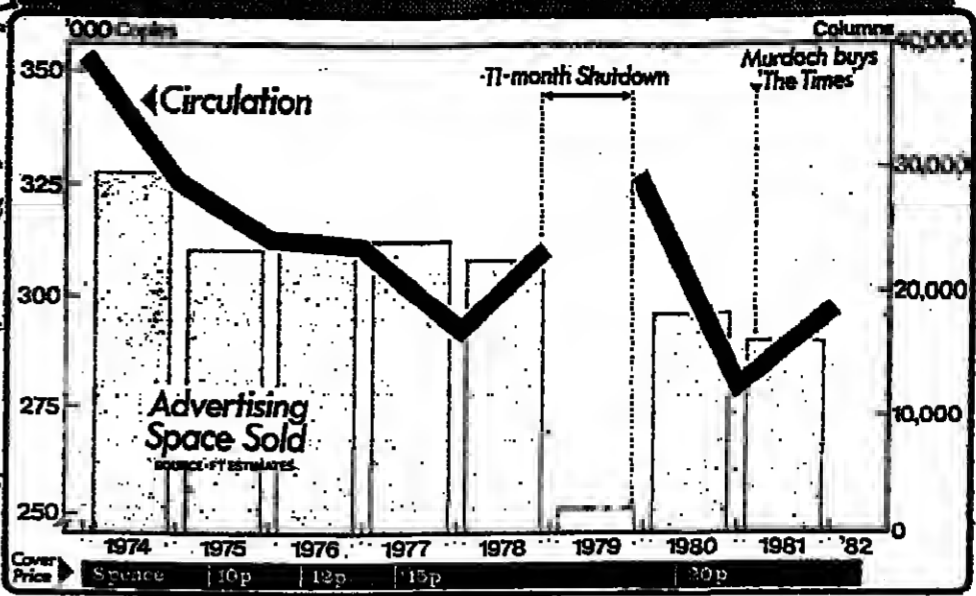
Others are not so sure. "A dangerous and arbitrary man," said one of the independent national directors established by the Government to protect the soul of the Times from its proprietor this week. "A gangster," offered one Times

A continued push towards new technology

journalist. "He does not understand how to run quality, low-circulation newspapers," argued another Times man.

More sinister still, suggested one of the several senior Times journalists who got out when they saw Murdoch coming, "his driving force is to show that any liberal person with a social conscience has feet of clay. He has a deep hatred of virtue."

The spark that drew these fiery utterances was Murdoch's decision this week to force the resignation of Mr Harold Evans, the Times's much admired, cause-conscious editor for the last year. Leaving aside these amateur attempts at psychoanalysis, the events of the week have raised two important questions: does Mr Murdoch have a credible editorial and business vision for TNL and what does his behaviour in the Evans affair tell us about his chances of turning that vision into reality? Listening to Murdoch's state-



Bob Hutchinson

ment of vision (outlined in detail on Page 1 of today's FT) is not hard to see why he picked Harold Evans.

Mr Murdoch wants a rapid increase in Times circulation and will freeze the cover price to get it. His main goal, initially, is to undermine the domination of the post end of the newspaper market by the Daily Telegraph (circulation 1.3m), but Murdoch also wants the Times to be price competitive with the Mail and the Express. The Times, he says, will expand its news coverage, especially sports, while retaining its traditionally marketable values of accuracy, authority, letters, and a consistent but non-party political editorial line.

This goal, he says, differs fundamentally from the Thomson Organisation circulation drive in the mid-1960s, when the Times created from scratch a large business news division in an effort to attack the FT. The sale went over the 400,000 mark, but serious inroads were not made into the FT's advertising base. "Roy Thomson was interested in money and not in journalism," says Murdoch, "but the Times has never been read as an alternative to the FT." Affluent young members of the middle class will be his main target.

More pertinently, he adds, "if we could get every second reader of the Sunday Times (circulation 1.4m) to read the Times, we would have one of the best newspaper businesses in Britain. The Sunday Times is the cornerstone."

This concept also is at the heart of the other half of Murdoch's strategy; to cut costs and increase efficiency by merging both the physical plant and some of the business divisions, such as advertising sales, of the two newspapers.

"When we came in, the Sunday Times sales people were fat and happy taking orders and sold out every week. On the Times, they were totally dispirited and broken."
So, in future, all Times and Sunday Times staff will share one building and advertising people will offer one rate card,

showing package deals for advertisers willing to take space in both newspapers.

Other cost-cutting efforts will involve the continued push towards new technology, with gold print type by the end of the year and an early re-opening of negotiations for full introduction of the computerised typesetting system (which allows journalists to type stories straight into the automatic typesetting room). Murdoch reckons he already has £14m of annual savings in the bag, which in a business (TNL) with total costs about £100m is a sizeable change.

If Mr Murdoch succeeds in this plan, he will change the shape of Fleet Street for ever. There are many reasons for

advertisements, which have been very weak because of high unemployment. But over a longer period, the Times has seen the proportion of its pages taken up by advertising fall from a range of 34.8 per cent to 35.9 per cent in the years 1975 to 1979, to 26.3 per cent in the shutdown year of 1979, to about 30 per cent in 1980 and to under 27 per cent in the early part of this year.

For a newspaper which gets two-thirds of its revenue from advertising, these figures are a catastrophe. Nor do they take into account the fact that Times salesmen are offering discounts of up to 30 per cent for their product or the fact that the Times's published standard rates are already 6 per cent below

those of the FT (which at 200,000 has a smaller circulation than the Times) and 34 per cent less than the Telegraph. Guardian rates are the same as those of the Times, but unlike the Times, the Guardian is enjoying rapid circulation growth (now almost 400,000).

The Sunday Times is a different matter. The leading quality Sunday newspaper by a wide margin, it has lost seven years in five of the last seven years at the trading level mainly because it has been dogged by poor labour relations and lost production, which Mr Murdoch may or may not have now sorted out.

Whether the merging of the business identities of the Times and Sunday Times is a good idea is a matter of opinion. Most Times people are sure it is not, but then they are thinking about the Times as a product which Mr Murdoch no longer intends to be.

Even more important, he seems in the course of his remarkable 11 am to 2 am work days to have failed to come to grips with the paper's newsroom, which felt its standards violated by an underclass upon display and by its own tendency to "run things through" his own typewriter, often late at night. In essence, he failed to adapt quickly enough from Sunday Journalism to daily journalism.

But Murdoch's selection of Charles Douglas-Home as the next editor of the Times surprised a lot of people. Douglas-Home, according to every Times man I spoke to on the day of his appointment is too nice to be tough and unlikely to last the year as editor. He was not, it is thought, Murdoch's own first choice, but he is popular with some of the national directors.

Is Murdoch looking for a push-over, after which he will install a true Murdoch man from New York or Australia? Many think so, but such a move would create a bang which would make the televised exit of Harold Evans sound like a whimper.

The most astonishing aspect of the whole affair is that Murdoch and Douglas-Home, opposites in all imaginable respects, should have emerged on the same side against Evans, something which enabled Murdoch to get rid of Evans without firing him, necessary because dismissal would have violated the terms of the Murdoch takeover and caused an outcry. Without the support of his senior staff, both Murdoch and Evans knew there was no chance of a public fight.

Another conclusion which some have drawn is that Murdoch has capitulated to the

6 If Mr Murdoch succeeds... he will change the shape of Fleet Street for ever

The Times, like China, gobbles up invaders

"old guard" view of what the Times should be. Or, as an old saying popular along the editorial back benches of the Times puts it: "The Times is like China, it gobbles up invading armies."

Rupert Murdoch has not been eaten yet and the financial resources of his £500m worldwide media, minerals and transport empire, albeit eroded a little in the last year, promise to keep his supply lines stocked for a long campaign if he wants one.

For six years, Murdoch has been shouldering heavy losses on the New York Post, awaiting the day when rising sales translate into more advertising. But in New York after six years of changes, Murdoch does have an editorial staff which understands and supports his objectives for the newspaper.

Murdoch is a determined man. But in the Times campaign, he is still holed up in Shanghai with a long march ahead.

Letters to the Editor

Credit

From Professor T. Barna
Sir,—May I comment on your timely leader on subsidies for export credits (March 12)?

It is, I think, unlikely that subsidised export credit can be eliminated in countries with high domestic interest rates. Since credit is important in financing exports of capital goods, charging interest at rates corresponding to domestic rates would have a disturbing effect on the pattern of this trade, possibly with serious long-term consequences.

Given that subsidised credit is likely to remain, and that domestic rates differ appreciably between countries, a formula to serve as the basis of a new consensus on interest rates is inherently difficult to find since no satisfactory explanation of the causes of the level of domestic interest rates exists (a fact known of course to readers of Samuel Brittan's column). Without knowing what determines domestic rates, it is difficult to say what constitutes a "fair" and what constitutes an "unfair" subsidy.

It is true that credit at concessive rates is supplemented by non-repayable grants (as in the agreement with Mexico signed by Mrs Thatcher during her visit there) or equity participation (used by the Japanese to beat competitors) and that in general it is difficult to lay down the rules of the game, but nevertheless it would be a constructive move to reach a new agreement on interest rates.

A practical suggestion would be the following. Let us abandon the search for a simple formula and allow individual countries some variation in export credit rates according to domestic conditions. At the same time, credit agencies should offer borrowers a choice of currencies, e.g. sterling at 10 per cent or yen at 7 1/2 per cent. To complete the circle, there should be a swap arrangement between official credit

agencies to cover currency needs.
(Professor) Tibor Barna, University of Sussex, School of European Studies, Arts Building, Falmer, Brighton, Sussex.

Competitive

From Mr J. Wilkinson
Sir,—According to the report by Ivor Owen (March 11), Mr Peter Shore has stated that "... since the present Government took office in May 1979 Britain has lost something like 30 per cent to 35 per cent in international competitiveness."

I have read similar statements in recent months with some astonishment. How can we be internationally uncompetitive in the light of the following?
In 1981 we had a balance of payments surplus on current account of £28m. According to the Taylor Nelson surveys the export prospects of a large sample of British public companies were as follows—

Higher/Lower Same

	%	%	%
March 1981	40	33	27
Feb. 1982	77	13	11

What way are we uncompetitive?
Jack Wilkinson, Orchard Edge, 8 High Place Crescent, Over, Cambs.

Gains

From Mr D. Lewis
Sir,—Mr Sutherland (March 16) appears to have missed the point that I was making in my earlier letter. I did not suggest that base costs should be indexed all the way up to 1982 values. Indeed I specifically said that values should be indexed from 1982 and this is the point of the matter. Notwithstanding the unfairness of Britain on paper gains for the period 1985/82 if this is a political decision that has been taken for the present, then so be it. The point at issue is that from 1982 onwards taxation on

future gains will be on real surpluses for any new investment but will continue to be levied partially on inflationary surpluses for existing investments. One should not be forced to "bed and breakfast" merely to be treated on a similar basis to others.

The solution as put forward is merely that values should be established as at 1982 and indexed thereafter.
For a new purchase, cost and value are by definition the same and the indexation will take place under the new proposals. For existing investments tax between 1985 and 1982 would still be payable until a subsequent realisation but increased values from 1982 would be treated no differently from a new purchase from that time.

My suggestion therefore was not to index purchase prices of existing investments but to have them valued as at 1982 and indexed thereafter. This would remove a serious anomaly that otherwise would emerge from the proposals. Let everyone be treated the same for gains up to 1982 and for gains after 1982.
D. J. Lewis, 76 Gloucester Place, W1.

Collecting

From Mr D. Steinhilber
Sir,—What a pity that Anthony Thorncroft's interesting and encouraging note on the National Gallery, "National on the move" (March 13) is marred by the gratuitous and provokingly arrogant remark: "... after all, it does possess the best comprehensive art collection in the world." Thorncroft is doubtless aware of the National's lack of Chinese, Japanese and other schools of painting, and one assumes he meant something different from what he wrote. Nevertheless, in today's world his remark is laughable. Furthermore, even to have modified "comprehensive" to mean, say, "post-medieval western European with certain ex-

ceptions" would have invited unnecessary controversy. What has become of the English talent for understatement? D. H. Steinhilber, 71c, Pamlico Road, SW1.

Independence

From the National Officer, Association of Scientific, Technical and Managerial Staffs
Sir,—Mr Nott, in announcing the purchase of Trident 2, states that this will reinforce Britain's "independence" deterrent. Yet one of the major reasons he gave for the cancellation of Trident 1 was that the U.S. had abandoned that version and that spares would not be available. Trident 1, of course, was also to be "independent."

Since the Skybolt fiasco of the 1960s when British re-organised its defence capability around that missile which was then abruptly cancelled by the U.S., I believed the independence theory to have been demolished.
Perhaps, however, this new use of the word now allows all car owners to be "independent" of the manufacturer and spares suppliers.
Tim Webb, 10-26a, Jamestown Road, NW1.

Management

From Mr A. Woodhead
Sir,—Hazel Duffy's interesting Lombard column March 12 was highly topical and is even more so in view of the Industry Secretary's proposals for changes in state industry control.
There is much confusion (even in Ministers' minds, according to Hazel Duffy) about how state businesses are or should be run. This is not surprising considering the variations in only one aspect—performance monitoring. Bodies operating in this field include: the Department of Industry, Industrial Development Unit, the Treasury, Public Enterprise Analysis Unit, the Department of Trade, Monopolies and Mergers Commission, Select Committees and the Comptroller and Auditor-

General. Private sector businesses are fortunate indeed to have only shareholders and auditors to worry about! Hazel Duffy makes the point that equally good management in public and private sectors should be expected.
To reduce confusion, to improve morale and performance and the public image of public sector businesses, could they not be seen to be controlled, directed and monitored by government agencies, in a reasonable, businesslike and consistent manner? This would encourage more of the best people available to take state industry appointments, we could see clearly their success in meeting agreed objectives (not always with a profit tag), and expect the normal consequences of failure. Umbrellas such as "statutory requirements" would not be needed (surely these can be changed if they are no longer relevant) and what appears too often like a running battle between Government and state enterprise chairmen should cease. The public image of the public sector would have a shot in the arm that untold millions spent on advertising could not achieve.
A. B. Woodhead, The Coach House, 95a, Hagley Road, Edgbaston, Birmingham

people and their ways can lead only to the conclusion that its ultimate objective is Press censorship (by themselves) and suppression of adverse comment.
Continual vigilance against their pretensions is required.
T. A. Kent, Aldermary House, Queen Street, EC3

Selection
From Mr A. Eames
Sir,—Mr Dixon (February 18) touched on one of the fundamental issues concerning personnel selection and appointments.
Many of us in industry have long been aware of the irrationalities and biases in personnel selection—particularly for medium and top-level appointments. A previous article and correspondence in the FT of December 12 and 24 1975 also referred to this phenomena in business and government. There is also the well-documented evidence for top-level appointments of a bias towards persons with a certain educational background, which is unfortunately not to be obtained solely by means of ability.
It is interesting that Communist Yugoslavia is attempting to rationalise selection procedures under its system of self-management. They still have a long way to go but they are tackling this problem by means of guidelines for personnel selection contained in so-called Social Compacts, which are drawn up between interested bodies including local government, trade union, and socio-political organisations.

The truth of the matter is that there is as yet no fair and reliable means of evaluating a manager's performance, and hence no clear-cut criteria for selection. As one American professor has observed, "it is only really possible to judge unsatisfactory performance."
Alan Eames, P.O. Box 24, Mogadishu, Somalia.

Reply
From Mr T. Kent
Sir,—John Lloyd (The right to reply to the Press, March 16), is exceptionally naive.
The "Campaign for Press Freedom" is heavily influenced by overt Marxists whose creed is fundamentally opposed to freedom as understood in this country. Your contributor is certainly justified in drawing attention to the practical difficulties inherent in their proposals, but to the authors these are really beside the point.
The fact is that to Marxists all criticism of themselves and their ideas is "unfair" and ought to be suppressed. The slightest acquaintance with such

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Jason Crisp profiles a Briton who is selling more computers than anyone else in the world

Why Sinclair thinks small is beautiful

THREE YEARS ago Clive Sinclair, one of Britain's most prolific innovators, was flat on his back. Having pioneered the world's first pocket calculator, the UK's first digital watch and the world's smallest and cheapest television, he quit the company he had founded not long after it had been bailed out by the National Enterprise Board.

Today the same Clive Sinclair is selling more computers than anyone else in the world. His new company, Sinclair Research, set up in the summer of 1979, has sales running at £30m a year and it is run by just over 30 people from tiny, untidy offices in Cambridge.

But Sinclair is not American. In spite of his flair for self-publicity he is a shy, reserved 41-year-old Briton. "He has that great British talent for innovation. But what makes him stand out is an extraordinary willingness to take high risks which is not at all British," says another American.

The extraordinary cottage industry which has blossomed around the Sinclair computer is probably doing even more business than he is. School teachers, civil servants, computer programmers, electronics engineers and technicians have set up small operations in their spare time to sell books, programs, extra memory, graphics boards, printers and sound generators.

Computer programs for the ZX81 range from the appealingly amateur to the professionally critical path analysis, from Space Invaders to payroll and a host of new industrial and commercial applications.

Mr Mike Johnstone, a civil servant who organised a fair just for companies selling products for the Sinclair computers in January was overwhelmed by the response. The police had to be called to control nearly 10,000 people who turned up at Westminster's Central Hall which has a capacity only for a few hundred at a time.

Meanwhile, Sinclair is also becoming an international success selling in the U.S., France, Germany, Scandinavia, Australia and a number of other countries. Mitel, the large trading house, is even selling the ZX81 in Japan.

Mr Sinclair is also becoming an international success selling in the U.S., France, Germany, Scandinavia, Australia and a number of other countries. Mitel, the large trading house, is even selling the ZX81 in Japan.



Clive Sinclair, with his ZX81 computer and pocket-sized television.

management. The result is that he has subcontracted practically everything except the research and development of new products, and some of that too. He has also taken considerable care in the choice of subcontractor, the lesson learnt from the faulty component which fatally determined the digital watch project.

Research is being concentrated at different locations. An electric car is being developed at Exeter in close conjunction with the university. The flat screen television and its production process was developed at St Ives, Cambridgeshire, in the mill which housed Sinclair Radionics.

Remarkably, the computer has only four microchips—most personal computers have about 40. The master chip designed by Sinclair is made by Ferranti which is the world leader in uncommitted logic array (ULA), a standard chip which can be customised to a user's requirements at the last stage of manufacture.

Marketing began by mail order because Sinclair believes this is the only way that people will accept a totally new product. Now the ZX81 is being sold through the W. H. Smith retail chain in Britain, which has been embarrassed by its success, as it keeps running out of stock.

In the U.S. Sinclair set up a small office in Boston, and also began with mail order. The company has now done another deal with Times which will soon market all Sinclair computer products in North America. They will be sold under both names.

Mr Michael Levy, of the Boston company Mindware, who has visited Britain three times in as many months looking at Sinclair software and hardware to sell in the U.S., thinks that Times may be able to sell 1.5m computers worth \$225m, in the U.S. He believes the add-on market of peripherals and software will be at least as big.

Mr Levy thinks that the add-on market in the U.S. will be very different to the one which has developed in Britain. Americans, he says, will not tolerate some of the stodgy amateur products which have proliferated in the UK.

in have a fault rate of less than 2 per cent, that still amounts to several hundred a week.

But that has done nothing to halt the rise in sales. Mr Nick Lambert who runs QuickSilva, one of the better-rated amateur organisations which have grown up on the back of Sinclair, says five new companies a week are being set up to sell attachments and software. Most will fail in the end he says. For now, however, the existing companies sell games, educational programs, and add on bits such as better characters and graphics.

In three months RD has had 500 inquiries and received 80 firm orders last month alone. Dr Mike Salem, a theoretical astrophysicist by training who has designed sophisticated software systems for powerful mainframe computers, is now selling business programs from his own company, Hilderbay.

Someone in ICI has bought his ZX81 program for critical path analysis. Mr Don White, who runs a motor body repair shop in Lincolnshire, does the payroll for his four staff on the ZX81. Dr David Cowlishaw, a physicist who runs a small moulding company in Nottinghamshire, has written a program to calculate the mixes of his polymers.

Two companies are about to sell floppy disc drives which will give the Sinclair mass memory storage, opening the market up for more applications in business. Already the Sinclair is being used in other computer companies as a device half way between a programmable calcu-

lator and a real computer. Most Sinclair computers are being bought for educational purposes, both for adults and children. But the children usually learn more quickly.

Later this year Sinclair Research launches the pocket-sized black and white flat screen television which will sell for around £50. It will also be made by Times. The hope is that it will do for television what the transistor radio did for the wireless, gladdening the hearts of those who hope to earn a living in breakfast television.

ICL, Britain's largest computer manufacturer, to develop a very low cost office workstation with telephone and computer terminal using his flat-tube technology and his version of the computer language BASIC.

Mr Robb Willmott, ICL's managing director, who has known Sinclair for many years, comments: "He saw consumer product potential in microchips long before most people."

Other products hinted or rumoured to be on the way include a more sophisticated computer, a floppy disc drive for mass memory storage which would greatly increase the ZX81's practical applications, and a colour television for £100.

But Sinclair's biggest, most ambitious and, some say, foolhardy project, is the electric city car which is planned to go on sale in 1984. Sinclair is likely to seek to overcome financial difficulties in the car. Sinclair argues that the car will be able to compete because his company does not have a heavy investment in existing technology. The car, with a range of 70 miles and a speed of 30 mph, will have a number of innovations, he says. And the reason it will sell: "Our pricing policy is well-known," says Clive Sinclair, with a twinkle in his eye.

A directory of suppliers of equipment for the ZX81 is available from ICI, c/o Queen of the Education ZX81 Users' Group, c/o Highgate School, Birmingham 12, price £1.

Economic Diary

TOMORROW: Department for National Savings issues report for February. London Transport fares increase. Indian Prime Minister, Mrs Indira Gandhi, begins five-day visit to UK.
MONDAY: Provisional gross domestic product for fourth quarter. EEC Foreign Ministers meeting in Brussels (until March 23). Government is expected to give up ahead for the development of cable television. Senior management at Dunlop to meet unions to discuss workers' grievances.

TUESDAY: Provisional unemployment figures for March. Provisional unfillied vacancies for March. Start of gold futures trading in Tokyo. Irish Budget. Institute of Directors annual convention "Real pay for real jobs—a realistic future" at the Royal Albert Hall, W8. Mrs Margaret Thatcher attends EEC British dinner in honour of Mrs Indira Gandhi at Dorchester Hotel, W1. Department of Energy and Swedish Trade Office seminar on "Energy Conservation in Industry; the Anglo-Swedish experience." British Institute of Energy Economics, St. James Square, SW1. Environment Select Committee inquiry into the methods of financing local government in the context of the Government's green paper.

WEDNESDAY: New vehicle registrations for February. January construction orders. European Parliament starts two-day meeting in Strasbourg discussing agricultural prices. Shell UK annual results. TUC General Council meeting. Treasury and Civil Service Committee reports on the 1982 Budget and the Government's expenditure plans for 1982-83 and 1984-85. Economic and Social Committee of the EEC in plenary session in Brussels (until March 25).

THURSDAY: Publication of Bank of England Bulletin. Energy trends. Polling in Hillhead by-election. Mrs Shirley Williams and Mrs Geoffrey Ripston address European Outlook conference at Waldorf Hotel, WC2 (until March 26).
FRIDAY: Final car and commercial vehicle production figures for February. Sales and orders in the engineering industries in December. Opening of two-day meeting of the Conservative Central Council in Harrogate.

Weekend Brief

The private lives of Saatchi and Saatchi

Just over ten years ago two young brothers in their mid to late 20s formed a small advertising agency which promised much in the way of creativity and advertising "razzamatuzz". But, then, so did many other small agencies spawned on the back of the "Swinging Sixties" in London's fashionable West End backstreets. Few in the trade at that time would probably have specially singled out the two young men as destined for great things, bright and ambitious, certainly, but the advertising world is full of such people.



Maurice and Charles Saatchi: "whizz-kids with a Howard Hughes complex"

A lady, and a new thermometer, on the train

I was sitting opposite a scientist on a train this week when he glanced at me, turned suddenly to his attractive woman companion and said: "Let's see whether you like him." He took from his wallet a small brown plastic disc and stuck it like a plaster in the middle of her forehead.

week of Compton Communications in the U.S. has stumped even those in the advertising world who felt nothing the Saatchis could do—especially after the selling of Mrs Thatcher before the last election—would ever surprise them.

And yet Charles is still only 38 and Maurice 36. The speed with which Saatchi and Saatchi has risen into the big-time is due to creativity and a lot of luck. Charles, the elder brother, started out in the business first, working briefly for the Benton and Bowles and

Collett Dickenson Pearce agencies. This was followed by a short period when he set up a consultancy operation with a close colleague (who eventually went into directing television commercials) before Charles and his brother, Maurice (an LSE graduate) set up their own agency in 1970.

The Saatchi philosophy has been to pitch their agency between an out-and-out creative business and an agency with a strong marketing approach. The combination of the two—and some astute financial dealings

which saw them go public in 1975 with a reserve takeover of a quoted agency—has proved irresistible to such large advertisers as IBM, United Biscuits, Procter and Gamble, and Cadbury Schweppes.

Charles has always been the creative brother of the two, while Maurice has been the business partner. Maurice, however, is also the "front man" in talking to the City and media while Charles has a reputation for privacy which some have likened to the late Howard Hughes's notorious passion.

BP tries to found a City creche

A number of companies in the heart of the City of London, including BP, are considering a new enterprise—the business of children's creches. But the "profits" will be enjoyed by parents rather than reflected in balance sheets.

to end £100,000 for building conversion and equipment. The centre will offer child care—morning to evening, five days a week—for the use of parents living or working in the City. Eva Gregory, one of the founders and now a governor of the City Children's services department, and says the demand for nursery places from both individuals and companies far outstrips local authority resources.

company with charity status. Baroness Seear is its president. Financial aid has been promised by the Cripplegate Foundation, and a number of companies have shown interest, including major banks like Nat West, and also the Bank of England, while others have given small donations. But it is to find the £100,000 needed to get the centre off the ground, City Child needs some big money soon.

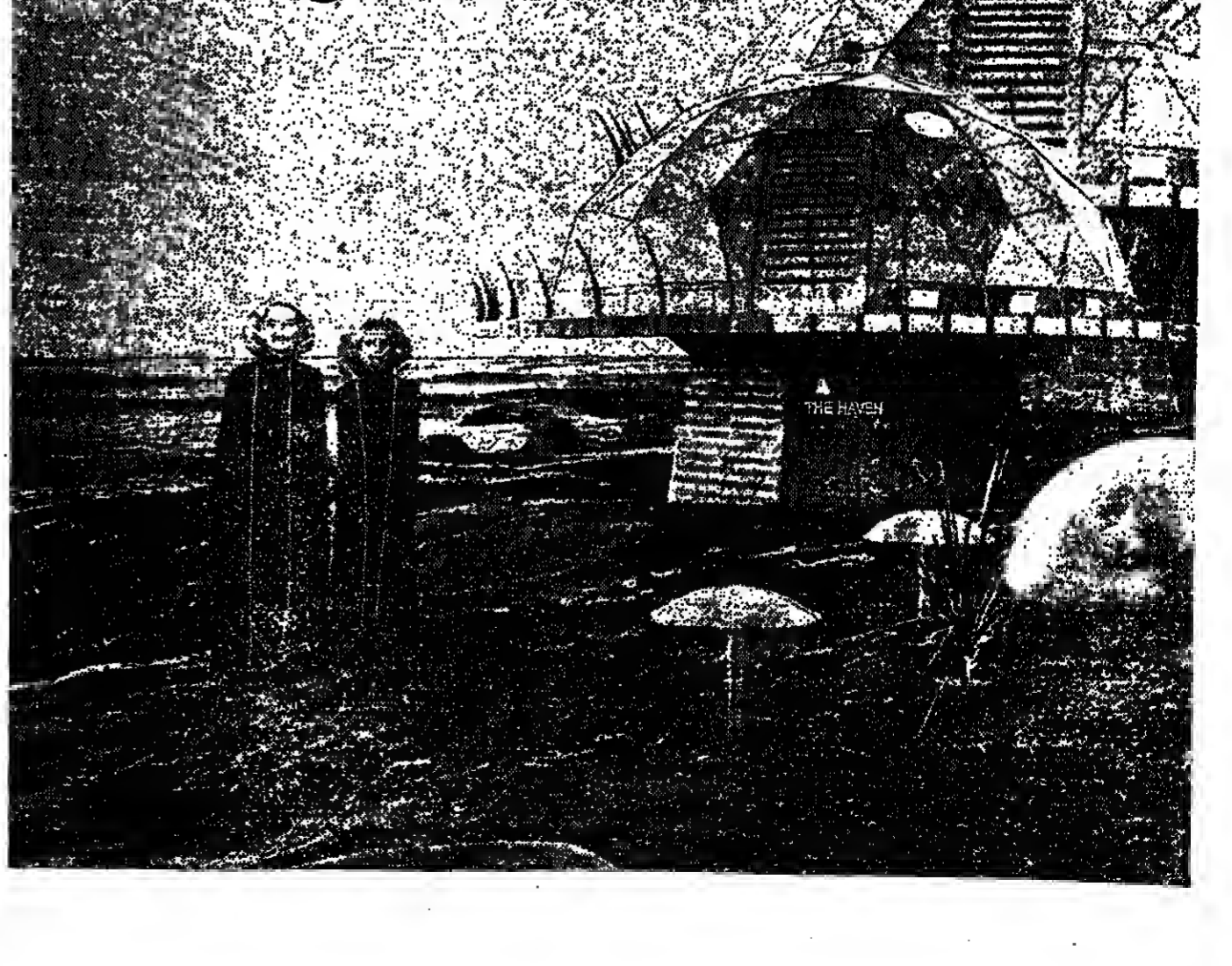
said head office personnel manager, Angus Mackay. The voluntary organisers did not have enough time to devote to the campaign, so the project officer, Ian Shaw, paid by BP, is now occupied full time in fundraising throughout the City.

In a few years time, you're going to change your ideas about retirement. Because with the advances of modern day life and technology there will be so much more to look forward to. The very day you start looking forward to retirement you'll do something about it. But with regrets for not having planned anything sooner. So, if you can bear the word 'pension' now, then Equity & Law is here to help. Looking after people's finances has been our business since 1844. And our assets of over £1 billion does prove we're quite good at it.

For instance, we understand that people want a pension plan that meets their needs as closely as possible. Especially those who are self-employed or faced with the prospect of depending on a state pension. Also, we know people are looking for tax advantages and flexibility too. We wouldn't offer such a wide range of pension plans otherwise. Whatever your final choice of pension plan, you'll be surprised how little it can cost for a future that holds so much. So hear what your financial advisor has to say about Equity & Law, or contact our Marketing Information Services on 0494 33377 or any of our branches throughout the country. After all, there's no time like today for planning your life tomorrow.

"In 1982, all we wanted from retirement was a cosy seaside bungalow."

Equity & Law
One day you'll thank us
Amersham Road, High Wycombe, Bucks HP13 5AL



Contributors:
David Churchill
David Fishlock
Kate Holman

Midland Bank maintains £232m Three Fleming trusts to be unitised

IN THE second half of 1981, Midland Bank has recovered the £20m mid-term shortfall in profits to maintain full year pre-tax figures at £232.2m, compared with £231.8m for 1980. But the results have been severely affected by the level of provision for bad debts, which at £113.5m was £30.5m higher than the previous 12 months.

Within this sector there was an improved performance from Forward Trust, Grindlays and Northern Bank, both of which increased their contributions despite the need for a substantial level of provision for bad debts. Midland Bank Trust Company, Midland Group Insurance Brokers also added to the overall profit, but in Scotland the Clydesdale Bank performance was almost unchanged.

However within this international banking sector, the increased incidence of bad debts caused the overall contribution from this sector to decline from 45 per cent of group profits to 35 per cent.

FLANS TO CONVERT three investment trusts with combined assets of £127m into unit trusts were announced yesterday by Robert Fleming Investment Management.

The effect of what represents one of the biggest shake ups so far for the investment trust sector will be the disappearance of around one-fifth of the £650m trust assets managed by Fleming.

Table with columns: Name, Assets (£m), New activity, Existing Div., Min. Div. under proposals. Lists Fleming Japanese, Fleming Far East, Fleming American, Fleming Universal, Fleming London and Manx, Fleming London and Provincial, Fleming U.S. and General.

Lord Fitzalan Howard stressed that Fleming had considerable experience in the Far East and North American markets. The plans would involve the disposal of about £100m of assets and transfers to pension funds under Fleming management - which would save brokerage and stamp duty - would only be done "if it is in their interests."

Among the trusts which will now change direction (see table) Fleming Universal is likely to retain a fairly large UK content. In each case the new policy is expected to take about 12 months to implement while Fleming has undertaken to maintain an existing dividend level for at least two dividend payments so that shareholders can rearrange their own portfolios if necessary.

Waring & Gilrow drops to £1m BAT offer inadequate says Iahn

WITH FIERCE competition squeezing margins and fixed costs rising Waring and Gilrow (Holdings), the furniture and carpets retailer, could no more than hold mid-year trading profit at £248,000, against a 1981 target of £250,000.

not be fully felt until the next financial year Mr Cussins adds. The closures include six of the group's furniture stores which now number 80.

companies at the upper end of the furniture market, Waring and Gilrow (Holdings) has been slow to take protective action. Major economies are now being achieved including a slimming down of workforce that equates to a £2m saving on the annual wage bill.

Mr Carl Iahn, the New York financier who heads a group of investors with a 30 per cent stake in Marshall Field, yesterday rejected an improved offer from BAT of the UK for the Chicago-based retailer.

ACC forecasts £30.5m losses Increased losses at Montfort

THE DIRECTORS of Associated Communications Corporation (ACC) are forecasting taxable losses of £30.5m for the year to March 31 1982. This includes a £10m loss on the production and distribution division of £36.5m.

stockpile of feature and television films. Under the former policy, these assets were stated at cost less sales receipts and such amounts considered to be necessary to reduce such assets to estimated realisable value.

effect of this change of policy on the results for the current financial year. Had the new policy been in force prior to March 31 1981, aggregate results for earlier years would have been £14.62m lower than reported. For the year ended March 31 1981, the policy change has resulted in a net increase of £1.56m.

PRE-TAX LOSSES of Montfort (Killing Mills) have increased from £395,406 to £709,782 in 1981, following a second-half deficit of £412,512, against £478,966 last time. There is no final dividend.

Mills and Allen up to £6.2m

A RISE in earnings from its financial services division enabled Mills and Allen International to increase pre-tax profits from £5.28m to £6.22m for the six months to December 31 1981, on turnover of £29.98m, compared with £27.02m.

The interim dividend absorbs £754,000 (£662,000) and the amount carried to reserves rose from £2,066m to £2.49m.

money broking world-wide showed a 15 to 20 per cent advance, only a reasonable performance in the bubbly sector. New acquisitions, however, meant that the company's full-time staff of 110, based in Toronto and various international offices, were reduced to 80.

Euroflame to liquidate subsidiary

Euroflame Holdings, the wood stove supplier quoted on the Unlisted Securities Market and the subject of a Department of Trade inquiry after making a pre-tax loss of £25,000 in 1981, is to put one of its trading subsidiaries into voluntary liquidation.

George Oliver improves Results due next week

AN INCREASE from £1.18m in £1.31m in pre-tax profits is reported by George Oliver (Footwear) for 1981. Turnover, excluding VAT, rose from £14.6m to £17.5m. The final dividend is raised from 3.3p to 4p for an increased total of 5.21p compared with 4.4p.

Results due next week. Lucas is another major engineering company that fell into loss last year under the burden of heavy rationalisation costs. Profits returned in the second half in July but UK demand for motor components remained low.

Other companies reporting results next week include Rockware which produces full size figures on Wednesday; Willis Faber and Dumas report preliminary figures on Thursday; interim reports are expected from Arden Ball and Paterson, Zochonis, on Wednesday and Thursday respectively.

continues in good shape and analysts are expecting some recovery in the current year, perhaps to £30m. In the meantime, the dividend is expected to remain safe at 9p.

King & Shaxson offshoot sold

King and Shaxson, the last of London's discount houses with a major interest in gilt-edged fund management, has sold its fund management business to the Britannia Group of Unit Trusts, part of Britannia Arrow Holdings.

Jersey, Guernsey, the Isle of Man and Singapore, has been bought for an initial sum of £200,000, plus a deferred amount payable on the value of funds under management on June 30.

Mr Parrish's success in encouraging investors to use the expertise of the discount houses in the gilt-edged market, caused several other houses, including Gerard and National, Clive Discount, Allen Harvey and Ross (now Cater Allen), and Gillett Brothers to form fund management subsidiaries.

Lyon & Lyon declines to £354,000

WITH reduced second-half taxable profits for 1981 of £237,000, compared with £408,000 in 1980, the annual turnover figure slipped marginally from £9.49m to £9.05m.

Lucas is another major engineering company that fell into loss last year under the burden of heavy rationalisation costs. Profits returned in the second half in July but UK demand for motor components remained low.

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Minorco sails into rough seas

THE South African Anglo American Corporation group's flagship for international expansion, the Bermuda-registered Minerals and Resources Corporation (Minorco), has sailed into rough waters.

The interim dividends is thus unchanged at 6 cents. Furthermore, Minorco states: "Difficult economic conditions are expected to persist during the second half of the year and it is now not expected that the total dividend for the current year will exceed 22 cents paid in the previous year."

Other factors affecting Minorco's latest results were, of course, the general economic recession coupled with the decline in the value of sterling and the South African rand against that of the U.S. dollar.

Dividends Announced

Table with columns: Company, Announcement due, Dividend (p) Last year, Dividend (p) This year. Lists Anglo African Finance, Amcote Holdings, Amalgamated Security (Holdings), BSA Group, Beston Clark, Bompas Corporation, BSC, BSC Chemicals International, BSR, BSC Electronics, BSC Holdings, Church and Co, Clay (Richard), Levaney Park and Walford, Consultants (Computer and Financial), DRG, Eagle Star Holdings, Equity and Law Life Assurance Society, Eastern Building and Construction Group, Farclomb Construction Group, Fife Farms, Fife Park, Fife and Sons, Friedland Property Group, Hepworth Ceramic Holdings, Jura Investment Trust, Jura Properties, Lane Property Group, Levaney Park and Walford, London and Manchester Assurance, London and Scottish Marine Oil, Mather (Holdings), Matthews (Holdings), Metal Chemicals Group, Minerals and Resources (Holdings), Nibels (L. N.J. Van), Nibels and Lund, Nicon Transport and Trading, Nicon Transport and Trading, Nicon PGVS, Rockware Group, Rockware.

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SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Tricentral emerged as a rival bidder for CCP North Sea Associates, the oil exploration company which last month agreed terms of a \$15m bid from Charterhouse Petroleum...

Associated Leisure bought Smiths Happyway Spencers, a private coach business and holiday tour operator in the North country for just over £11m...

The contested £78m offer by Rowntree Macintosh for biscuit manufacturer Huntley and Palmer, and the agreed £12.8m bid by Imperial Chemical Industries for the paint group Arthur Holden...

Table with columns: Company bid for, Value of bid per share, Market price, Price before bid, Value of bid, Bidder

PRELIMINARY RESULTS

Table with columns: Company, Year to, Pre-tax profit (£000), Earnings* per share (p), Dividends* per share (p)

INTERIM STATEMENTS

Table with columns: Company, Half-year to, Pre-tax profit (£000), Interim dividends* per share (p)

Company bid for

Table with columns: Company bid for, Value of bid per share, Market price, Price before bid, Value of bid, Bidder

Scrip Issues

J. Bibby and Sons—One for two. Metallurg Group—One for ten. Supra Group—One for ten.

Rights Issues

Shaw and Martin—Is raising £274,500 by way of a three for two rights issue at 11p per share.

Offers for sale, placings and introductions

AIM Group—Offer for sale of 4m shares at 140p per share. The Bristol Waterworks Company—Offer for sale of 27m of 8 per cent redeemable preference stock, 1987, at a minimum price of £100 per cent.

EUROPEAN OPTIONS EXCHANGE

Table with columns: Series, Vol., May, Last, Aug., Nov., Stock

York Mount on target

PRE-TAX profits of York Mount Group, building contractor, climbed from £89,000 to £296,000 during 1981. The comparable figure includes £43,000 pre-acquisition profits of new subsidiaries...

Lossmaker Gartons radical re-structure

LOSSES OF £223,732 against profits of £21,581, were incurred by Gartons, the Merseyside agricultural seed merchant, in the half-year to June 30 1981. The directors do not expect to pay any dividend in respect of the current financial year...

Royal in unit trust move

Royal Life Insurance, a member of the Royal Insurance Group, has announced its entry into the unit trust field, with two funds on offer—the Royal Life Equity Trust and the Royal Life International Trust.

M. J. H. Nightingale & Co. Limited

Table with columns: 1981-82, High Low, Company, Price Change, Gross Yield, Fully

LOCAL AUTHORITY BOND TABLE

Table with columns: Authority, Annual Interest, Life gross pay, Minimum of

MARTIN CURRIE & CO. INVESTMENT TRUST COMPANIES AT 28th FEBRUARY 1982

Table with columns: Geographical Spread, Total Assets, Less Current Liabilities

F. W. Thorpe steady

An increase from £273,717 to £396,343 in pre-tax profits is reported by F. W. Thorpe for the half year to December 31 1981. Turnover of this manufacturer of 'Thurux' lighting equipment rose from £2.01m to £2.24m...

SPAIN

Table with columns: March 18, Price, %

Today's investor needs a banker he can depend on!

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LADBROKE INDEX

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THE TRING HALL USM INDEX close of business 19/3/82

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Companies and Markets

WORLD STOCK MARKETS

Early irregularity on Wall St

NEW YORK

Table of stock prices for various companies in New York, including columns for Stock, Mar. 17, Mar. 18, Mar. 19, and Mar. 20.

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THE MARKET turned mixed in its South American routes over yesterday trading on Wall Street moderate when investors moved to the sidelines ahead of the weekly Money Supply figures, to be released after close.

By 1 pm the Dow Jones Industrial Average was off 1.05 to 804.22, reducing its gain on the week to 6.85, while the NYSE All Common Index, at 836.53, rose 7 cents on the day and 51.01 on the week.

Analysts said investors are reluctant to commit themselves to the market ahead of the Money Supply, which is projected to be up about \$1bn to \$2bn.

In the past weeks stocks have dropped sharply on the Monday after a gain in the Money Supply, and analysts said investors do not want to be caught in a similar sell-off next week.

Also weighing on the Stock Market was a Commerce Department Estimate, reported by the Administration sources that first quarter Real GNP will decline at an annual rate of 4.5 per cent.

Analysts attributed some gains to bargain hunting and short covering but also said the solid trade if no positive developments regarding the curtailing of oil production comes out of the OPEC meeting in Vienna.

Most issues showed only fractional price changes. Holly Sugar, at \$45, was the biggest loser, losing \$2 after its \$11 fall Thursday; the Holly chairman may propose a leveraged buyout but analysts are sceptical that he will succeed.

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THE AMERICAN SE Market Value Index rose 1.87 to 288.17, making a rise of 8.23 on the week. Volume 2.17m shares.

Canada Canadian Stock Markets opened higher yesterday, with advancing issues leading the declines by more than two-points.

Extending Thursday's broad advance caused by bargain hunting, the Toronto Composite Index moved up 12.1 to 1,384.1.

The Metals and Minerals Index rose 13.5 to 1,480.2, and Oil & Gas 35.7 to 2,500.3, but Golds lost 25.7 to 2,145.5.

Narrowly mixed in moderate trading, with an uncertain sentiment prevailing after Thursday's sharp recovery and also affected by the yen's weakness against the dollar.

The Market Average added 12.88 to 7,065.38, but the Tokyo Stock Market Average shed 0.85 to 829.22 on a moderate turnover of 350m (370m) shares.

Operators and investors tended to hold-off ahead of a forthcoming week weekend extended by a Monday holiday.

Blue Chips generally weakened as "low-priced" Domestic issues firmed.

Leadership shares maintained early gains to close around the highs of the day, with rises of up to DM 6 reported in the wake of Thursday's interest rate cut by the Bundesbank.

Dealers reported strong foreign buying interest, especially in the Banking sector, which were further supported by a rise in the Domestic Bond market. The Commerzbank Index rose to 9 1982 high of 712.20.

Deutsche Bank closed at its high of DM 377.20, up DM 2.60, while Dresdner Bank rose to DM 470.00.

Investment up 22 cents to HK\$4.90, Sun Hung Kai Properties 30 cents to HK\$2.70, Tat Chee 10 cents to HK\$2.25, and Trafalgar Housing 71 cents to HK\$2.45.

Share prices closed narrowly mixed on some profit-taking. Far-East Levitating rose 10 cents to S\$6.05, and Hong Leong Finance 20 cents to S\$12.70, while Central Sengars at S\$12.70, while Central Sengars at S\$12.70, while Central Sengars at S\$12.70.

Hotels, Properties, Commodities and the "Second Grading" section were also mixed.

A strong oil flow from the South Australian Cooper Basin revived interest in Beascom issues, particularly Oils, which led markets upwards. Shell had 9 well flowed 4,287 barrels of oil a day during cleanup work.

Among Oils, Santos rose 15 cents to A\$6.50, Vamgar 10 cents to A\$6.00, and Shell 10 cents to A\$6.00.

Insurance firms, led by Swiss Reinsurance shares, Most industrial leaders edged higher in moderate volume.

Average gains in recovery issued Swiss Franc Foreign Bonds reached 1 to 2 percentage points.

Share prices rose in lively trading, stimulated by falling interest rates which followed the Bank Rate cut by Swiss National Bank and Lower Time Deposit rates of major Swiss Banks announced Thursday.

Bonds continued broadly higher. "Big" Banks posted good gains, with Credit Suisse up Fr 30 to Fr 1,750.

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Indices

Table of indices for New York, Dow Jones, Standard and Poors, NY S.E. All Common, Montreal, and Toronto Composite.

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Notes and footnotes at the bottom of the page.

Companies and Markets

Standard Chartered Malaysian bank move

By Wong Sulong in Kuala Lumpur
CHARTERED BANK, of the UK, the biggest of the foreign banks in Malaysia, and a wholly-owned subsidiary of Standard Chartered, has announced that it is in the process of putting its Malaysian operations into a locally-incorporated bank, in conformance with the Government's New Economic Policy (NEP).

Under the NEP, the Government requires foreign-owned companies to restructure their equity, so that by 1980 they reflect a 30 per cent Malay ownership, 40 per cent local non-Malay and 30 per cent foreign.

Chartered said yesterday that it had conveyed its plans to the Malaysian central bank last December, and that negotiations had taken place since that time with a view to bringing on local participation.

It pointed out, however, that as the Malaysian operations formed part of the Global network of offices of Standard Chartered, the formation of a locally-incorporated bank would entail a number of complex accounting and other considerations.

Government proposal for Boussac-Saint Freres

By David White in Paris

A PLAN involving indirect State control is to be proposed for Boussac-Saint Freres, the troubled textile branch of France's Agache-Willot group, which filed for bankruptcy last July.

The long-awaited rescue plan gives the Industrial Development Institute (IDI) the majority shareholding alongside creditor banks in a new company, which, it is proposed, would run Boussac-Saint Freres on a temporary leasing basis.

The Government has chosen M Remy Mayer, 57, head of the Scientific and Technical Centre for the Building Industry and former chief of the National Geographical Institute, to be chairman of the new company.

The Lille commercial court, which presides over the settlement procedure, still has to decide on the Government-sponsored plan, which comes after lengthy efforts to find a private backer.

The capital of the new company, which would manage Boussac-Saint Freres' factories without actually owning them, is expected to be FF 200m (\$32m). But the level of investment needed to turn the business around in the next five years is estimated to be much higher, at around FF 1bn.

The new venture is expected to put forward a solution for the Agache-Willot holding company, which controls an empire employing some 33,000, with an annual turnover of FF 12bn. The holding company, like its textile subsidiary which employs more than half of the total, is currently under a court-appointed administrator. Various charges have been lodged against the Willot brothers, who ran it previously, for misuse of company assets.

The IDI has been involved with Boussac-Saint Freres since M Anatole Temkin, its assistant, was appointed to assist the court administrator last summer.

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Swiss retailer to raise dividend

By John Wicks in Zurich

Operating profits of Jelmoli improved by 5.4 per cent to SwFr 85.9m while consolidated net earnings grew by about the same percentage to SwFr 28.5m. Outside Switzerland, sales of Jelmoli-Lyons, a Lyons-based operation owned jointly with the German Karsaidt group, increased by 5.4 per cent, though the company showed a loss for the year.

Armco warns of drop in net income

By David Lascelles in New York

ARMCO, the large U.S. steel company, warned yesterday that the uncertain U.S. economic outlook and weakness in some of its key business areas would sharply curtail profits this year.

Mr Harry Holiday, the chief executive said: "We now expect first quarter earnings to be about one-third of last year's level. On the basis of the first quarter and the uncertainty of the current economic outlook we anticipate full-year earnings will decline approximately 25 per cent from 1981's results."

However, there since has also been a softening in the market for energy-related tubular steel goods used by the oil industry. This market, which has been buoyed by record oil and gas exploration activity, has been saturated.

Strong advance at operating level for Sea Containers

By Our Financial Staff

PROFITS rose last year at Sea Containers, the New York based group comprising Sea Containers and SeaCo, and asset sales played a much reduced role. Mr James B. Sherwood, president of Sea Containers, commented that operating income showed a 17 per cent advance over the year.

At the net level, earnings added 7.4 per cent to a record \$43.3m with share earnings down from \$4.62 to \$4.36 because of the sale of shares during the year. Revenue of \$201.6m was 2.8 per cent higher.

Mr Sherwood said earnings were a \$8m gain this time on the sale of an interest in a drilling rig, and a \$4.2m charge for restructuring. However, the net loss of the final quarter wipes out much of the \$35.8m profit chalked up in the first nine months, leaving the net figure for the year at \$600,000 against \$500,000 in the previous year. Revenue slipped from \$169m to \$149.7m.

U.S. office products stake for Olivetti

By James Burton in Rome

OLIVETTI, the Italian data processing and office equipment maker, has taken a 20 per cent stake in Olivetti Systems Technology of the U.S.

The acquisition, the value of which was not disclosed, continues Olivetti's strategy of buying into advanced technology companies to gain expertise more quickly and cheaply than it could develop itself.

Micro-office Systems Technology specialises in advanced word processing for executives. It was formed in 1978 and Mr James Dunn, its president, is a former Exxon executive. Olivetti will participate in MST's development programme to co-ordinate MST's product line with its own range of electronic typewriters and word processors.

Wheelock unit well ahead

By Robert Cottrell in Hong Kong

REALLY DEVELOPMENT Corporation, a member of the Wheelock Marlen group through its Hongkong Realty and Trust subsidiary, has reported attributable profits for 1981 of HK\$91.7m (US\$15m) including extraordinary profits of HK\$59.9m.

In the previous nine-month accounting period to December 1980, RDC's attributable profit was HK\$54.6m, including extraordinary profits of HK\$29.9m. A final dividend of 18 cents a share makes 30 cents for the year, while B share holders received 3.6 cents making 6 cents for the year.

The directors also propose a special capital bonus of 70 cents per A share and 14 cents per B share, costing a total of HK\$141.8m.

Poor results from two Swedish paper groups

By Westery Christner in Stockholm

TWO SWEDISH paper companies, MoDo Domsjö (MoDo) and Södra Skogsägarna, have reported poor results for 1981.

MoDo experienced a sharp, predicted pre-tax earnings drop to SKr 25m (\$4.5m) last year from SKr 28m in 1980. Sales were also down to SKr 1.1bn (\$701m). The proposed pre-tax dividend is unchanged at SKr 7.50.

Currency losses on borrowing pulled the pre-tax profit down by SKr 110m in 1981 against SKr 11m the previous year.

The company expects an earnings recovery this year, however, because of improved competitiveness, resulting from the Swedish currency's evaluation last September, and a general economic upswing hoped for in the current year.

Portuguese debt reaches record \$10bn

By Diana Smith in Lisbon

PORTUGAL'S FOREIGN debt has reached \$10bn, with one-third in short-term loans, according to Sr Walter Marques, the Treasury Secretary.

This is a record sum, representing half of gross domestic product — a ratio worse than Poland's. At the same time, last year's current account deficit reached the unprecedented figure of \$2.5bn, double the 1980 figure because of drops in tourist and emigrant remittances revenue, and soaring food and energy imports caused by long drought.

The 1982 deficit should be \$1.4bn. Portugal is now negotiating a \$300m syndicated loan, but is unlikely to secure the very fine terms for which it has pressed.

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COMMODITIES/REVIEW OF THE WEEK

Cocoa support boost disappoints market

By Our Commodities Staff

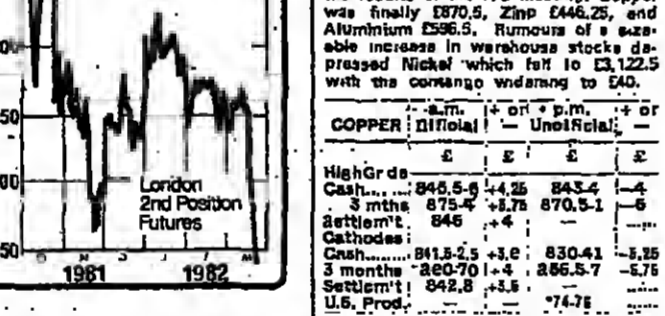
THE INTERNATIONAL Cocoa Organisation (ICCO) announced yesterday that it had accepted an offer from a group of three Brazilian banks for a \$75m loan to boost its support buying fund. The group had been prepared to lend the organisation \$100m but only if it increased its levy on cocoa exports from 2 cents to 3 cents a lb.

The levy increase was strongly opposed by some consumer members, however, and in accepting the smaller loan the ICCO appears to have taken the soft option. This was reflected in market reactions to news. Future values dropped sharply on the London market yesterday after falling heavily earlier in the week.

WEEKLY PRICE CHANGES

Commodity	Latest	Change	Year ago	High	Low
METALS			1981/82		
Aluminium	\$210.015	-	\$210.015	\$170.70	
Copper	\$147.91	0.04	\$147.91	\$140.00	\$150.00
Gold	\$320.00	+2.00	\$320.00	\$310.00	\$330.00
Silver	\$40.00	+1.00	\$40.00	\$38.00	\$42.00
Lead	\$20.00	+0.50	\$20.00	\$19.00	\$21.00
Zinc	\$25.00	+0.50	\$25.00	\$24.00	\$26.00
Nickel	\$35.00	+1.00	\$35.00	\$33.00	\$37.00
Platinum	\$400.00	+10.00	\$400.00	\$390.00	\$410.00
Grains					
Wheat	\$1.10	-0.01	\$1.10	\$1.08	\$1.12
Maize	\$0.50	+0.00	\$0.50	\$0.48	\$0.52
Soybeans	\$0.70	+0.01	\$0.70	\$0.68	\$0.72
Rubber	\$1.20	+0.02	\$1.20	\$1.18	\$1.22
Sugar	\$0.15	-0.01	\$0.15	\$0.14	\$0.16
Coffee	\$0.30	+0.01	\$0.30	\$0.28	\$0.32

BASE METALS



BASE-METAL PRICES were little changed on the London Metal Exchange. Tin dipped to \$7,360, three months, but rallied to close at \$7,387.50 ahead of the results of the ITC meeting. Copper was finally \$170.50, two months, and Aluminium \$256.50. Rumours of a sizeable increase in warehouse stocks depressed nickel to \$37.50, three months, with the carrying charge widening to 20¢.

The week market in London futures market ended at \$103 down to \$1,234.50 a tonne, a decline in price was encouraged by a U.S. Department of Agriculture forecast that world exportable coffee production, after allowing for consumption in producing countries, would be 75.9m (80 kilos each) in 1981-82, up 18.6 per cent from the 1980-81 level.

SILVER

Silver was fixed 5.25p an ounce lower for spot delivery in the London market, with a margin of 13¢. U.S. cent equivalents of the fixing levels were: spot 700c, down 12c; one month 750c, down 12c; and two month 802c, down 18c.

COPPER

Grade	1m	2m	3m
High Grade	\$170.50	\$170.50	\$170.50
Low Grade	\$170.50	\$170.50	\$170.50

Future prices edged lower early in the week as expectations of a heavy production surplus continued to depress the market. But values strengthened later and the August futures position ended \$4.075 up at \$162.35 a tonne.

Traders were sceptical of the change in pricing structures, but impressed by the cutbacks in production. The rise in values on the Metal Exchange came under pressure following further domestic price cuts announced by U.S. producers. So did lead prices in spite of a rise in U.S. domestic prices. The pressure on nearby supplies, which had previously boosted London prices, eased.

AMERICAN MARKETS

NEW YORK, March 18. PRECIOUS METALS came under heavy pressure from overnight outdoor selling in Europe. Silver was down 12¢, copper was lower on disappointing news of an increase in the inventory of the Commodity Futures Trading Commission for the week beginning Monday. Gold was steady.

LONDON GRAINS—Wheat: U.S. 07's 220.25, down 12c; 20's 220.25, down 12c; 12's 220.25, down 12c; 01's 220.25, down 12c; 02's 220.25, down 12c; 03's 220.25, down 12c; 04's 220.25, down 12c; 05's 220.25, down 12c; 06's 220.25, down 12c; 07's 220.25, down 12c; 08's 220.25, down 12c; 09's 220.25, down 12c; 10's 220.25, down 12c; 11's 220.25, down 12c; 12's 220.25, down 12c; 13's 220.25, down 12c; 14's 220.25, down 12c; 15's 220.25, down 12c; 16's 220.25, down 12c; 17's 220.25, down 12c; 18's 220.25, down 12c; 19's 220.25, down 12c; 20's 220.25, down 12c; 21's 220.25, down 12c; 22's 220.25, down 12c; 23's 220.25, down 12c; 24's 220.25, down 12c; 25's 220.25, down 12c; 26's 220.25, down 12c; 27's 220.25, down 12c; 28's 220.25, down 12c; 29's 220.25, down 12c; 30's 220.25, down 12c; 31's 220.25, down 12c; 32's 220.25, down 12c; 33's 220.25, down 12c; 34's 220.25, down 12c; 35's 220.25, down 12c; 36's 220.25, down 12c; 37's 220.25, down 12c; 38's 220.25, down 12c; 39's 220.25, down 12c; 40's 220.25, down 12c; 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Stock Exchange Dealings

The list below, restricted mainly to ordinary and convertible stocks, has been taken with consent from last Thursday's Stock Exchange Official List... The price is not in order of execution, but in ascending order which denotes the day's highest and lowest dealing prices.

Table with columns: BANKS, DISCOUNT (889), and various bank names like Alexander's Discount, Allen & Unwin, etc.

Table with columns: BREWERIES (424) and various brewery names like Allandale Brewery, Anchor Brewery, etc.

Table with columns: COMMERCIAL (8444) and various commercial names like AA Industries, AA Electronics, etc.

Table with columns: A-B and various company names starting with A and B.

Table with columns: C-D and various company names starting with C and D.

Table with columns: E-F and various company names starting with E and F.

Table with columns: G-H and various company names starting with G and H.

Table with columns: I-J and various company names starting with I and J.

Table with columns: K-L and various company names starting with K and L.

Table with columns: M-N and various company names starting with M and N.

Table with columns: O-P and various company names starting with O and P.

Table with columns: Q-R and various company names starting with Q and R.

Table with columns: S-T and various company names starting with S and T.

Table with columns: U-V and various company names starting with U and V.

Table with columns: W-X and various company names starting with W and X.

Table with columns: Y-Z and various company names starting with Y and Z.

Table with columns: AA-AD and various company names starting with AA and AD.

Table with columns: AE-AG and various company names starting with AE and AG.

Table with columns: AH-AL and various company names starting with AH and AL.

Table with columns: AM-AN and various company names starting with AM and AN.

Table with columns: AO-AR and various company names starting with AO and AR.

Cluff Oil sets up Australian company... Cluff Oil of the UK proposes to establish a company in Australia to be called Cluff Oil (Australia) Pty. Ltd. Cluff Oil share and option holdings in Cluff Oil (Australia) will be transferred to this new company.

Financial Times Saturday March 20 1982

Table of financial data including interest rates and currency exchange rates for various countries.

RULE 163 (1) (e) Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange.

Table listing securities from various overseas stock exchanges, including company names and prices.

RULE 163 (2) Applications granted for specific bargains in securities not listed on any Stock Exchange.

Table listing securities that have had applications granted for listing on the London Stock Exchange.

RULE 163 (2) Dealings for approved companies engaged solely in overseas exploration.

Table listing securities for companies engaged in overseas exploration, with specific deal terms.

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FT UNIT TRUST INFORMATION SERVICE

AUTHORISED TRUSTS

Large table listing various unit trusts and investment funds, including names, managers, and performance data.

MONEY MARKETS

London clearing bank heading rate 13 per cent (since March 12) Day-to-day credit was in short supply in the London money market yesterday and the Bank of England gave an early forecast of a shortage of £500m.

THE POUND SPOT AND FORWARD

Table showing spot and forward exchange rates for the pound sterling against various currencies.

EXCHANGES AND BULLION

The dollar improved in currency markets yesterday as Euro-dollar rates rose slightly ahead of the weekly U.S. money supply figures.

GOLD

Table showing gold prices and market activity for various regions.

EXCHANGE CROSS RATES

Table showing cross rates between various major currencies.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Table showing interest rates for various Euro-currency deposits.

FT LONDON INTERBANK FIXING (11.00 a.m. MARCH 19)

Table showing interbank fixing rates for 3 and 6 month U.S. dollars.

LONDON MONEY RATES

Table showing various London money market rates including overnight, 7 days, and 1 month rates.

CURRENCY MOVEMENTS

Table showing percentage changes in exchange rates for various currencies.

OTHER CURRENCIES

Table showing exchange rates for various other currencies.

EMS EUROPEAN CURRENCY UNIT RATES

Table showing EMS currency unit rates and percentage changes.

OTHER CURRENCIES

Table showing exchange rates for various other currencies.

OTHER CURRENCIES

Table showing exchange rates for various other currencies.

OTHER CURRENCIES

Table showing exchange rates for various other currencies.

LONDON STOCK EXCHANGE

Marked slowdown in inflation boosts market confidence Gilts good but below best—Equity index up 5.9

Account Dealing Dates

Table with columns: Option, First Declared, Last Account Dealing, Unsettled Dealings, Mar 11, Mar 22, Mar 23, Mar 25, Mar 26, Apr 3, Apr 15, Apr 16, Apr 26

* New time 'dealings may take place from 8.30 am two business days earlier.

The continuing slowdown in the annual rate of inflation as indicated by February's UK retail price index gave fresh confidence to London stock markets yesterday and set the seal for a firm finish to the week's trading. Disappointment with the result of the tender for the new 2 per cent Treasury 1982 indexed stock took the edge off an otherwise good day in conventional Gilts and unsettled other index-linked issues which showed falls extending to 11.

Quotations at the long end of the market ended below the best, but with gains ranging to 3. Short-dated stocks finished up to 1 1/2 higher and the Government securities index hardened 0.15 to 68.45.

Encouraged by the firm overnight performance on Wall Street, leading shares opened on a firm note and moved ahead further in the wake of the early advance in Gilts-edged. Despite a continuing low volume of business, the tone held firm throughout the session and prices closed only marginally below the best. Reflecting the trend, the FT 30-share index closed 5.9 up at 562.7, after having touched its best of the day at 5 pm with a rise of 9.

Oil shares staged a rally on some good buying prompted by hopes that the Opec oil ministers will sanction a sharp cutback in crude production in order to maintain current prices. Among the individual features, Midland Bank stood out with a rise of 12 in 38p in response to better-than-expected preliminary results.

Amersham attracted fresh support and firmed 3 to a peak of 197p compared with the recent issue price of 142p.

Midland rise

The market had been expecting lower profits from Midland so the marginal increase in annual earnings prompted a rise of 12 in the shares to 385p. The other major clearers, unsettled since the Budget on fears of increased taxation, advanced in sympathy. NatWest rallied 10 to 440p, Barclays 5 to 489p and Lloyds 7 to 442p.

A firm and lively insurance market was highlighted by Eagle Star, which rose 12 to 380p in response to revived speculative buying ahead of annual results due next Wednesday. Sun Alliance put on 8 at 865p, after 874. GRE gained 6 to 314p and General Accident, 324p, and Com-

mercial Union, 145p, added 4 pence. Lloyds Brokers featured Sedwick 5 better at 155p, following comment on the results. Willis Faber, annual figures scheduled for next Tuesday, firmed 5 to 418p.

Leading Builders took the previous day's rally a stage further. Bice Circle, 474p, and BPP Industries, 416p, adding 6 pence. Redland improved 5 to 187p and Tarmac 4 to 444p, while RMC firmed 4 to 344p. Rugby Portland Cement, 84p, retained a gain of a penny following the company's decision to cease production on the old site of the Rugby works. Talk of a broker's circular stimulated support for London Brick, which put on 3 to 89p.

Among Housebuilders, Bull Barratt Developments, a dull market since Monday's interim results, rallied 2 to 267, but ended 13 lower on the week. George Wimpey also improved 2 to 110p. Selected secondary issues also recovered some lost ground. Marchwell adding 6 to 132p and Bryant 3 to 97p. Johnson's Paints, dealt in the Unlisted Securities Market, firmed 2 to 97p following Press comment.

The Chemical majors registered modest gains, ICI firmed 4 to 326p and Fisons a couple of pence to 285p.

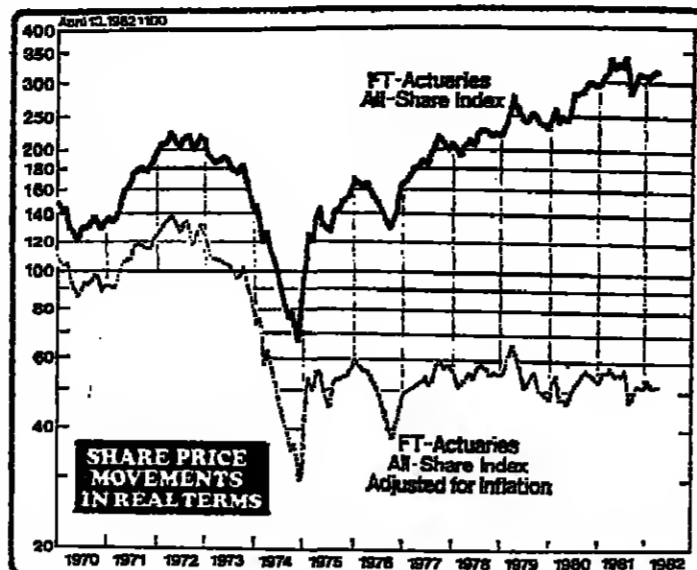
George Oliver jump

Covering a bear position prompted a slightly firmer tone among leading Stores. British Home added a couple of pence to 151p, as did VDS, 74p, and Woolworths, 52p, the last-mentioned aided by call option business. Marks and Spencer added 3 for a two-day gain of 7 to 149p. Selected secondary counters displayed useful gains. Harris Queensway returned to favour and jumped 10 to 142p, while speculative attention was also noted in Moss Bros., 8 dearer at 148p. Currys, 182p, and Freemans, 136p, added 4 pence; the latter's annual results are due soon.

Shoes hardened. Pittard, which announced a return to profits on Tuesday, added 2 for a gain on the week of 7 at 64p. George Oliver (Footwear) jumped 13 to 135p in response to the increased annual profits and dividend, while Lambert Howarth, results due at the end of the month, firmed 2 to 56p.

Leading Electricals brought the week to a firm close. Renewed investment support helped quotations to improve from the outset and closing gains ranged to double-figures. Royal Commission, Hunter and Palmer became steadier yesterday, but finished 21 down on the week at 91.

Leading Hotels and Caterers were quietly firm. Grand Metropolitan improved 4 to 204p and Trusthouse Forte 3 to 119p.



SHARE PRICE MOVEMENTS IN REAL TERMS

up 5 to 430p. Elsewhere, persistent investment demand prompted a rise of 9 to 251p in Cable and Wireless and a similar rise to 383p in Eurotherm. Standard Telephones and Cables, still drawing strength from the recent good results, put on 13 to 533p while Memec ended similarly dearer at 288p.

Comment on the results left GKN a penny dearer at 164p among quality firm Engineering majors. Vickers rose 4 to 149p and John Brown hardened a penny to 60p. Vickers held at 187p ahead of next Wednesday's preliminary results. Elsewhere, Babcock and Wilcox appreciated 4 to 91p on buying ahead of the annual figures due at the end of the month, while Mining Supplies revived with an improvement of 6 to 124p.

Euro. Ferries up

Quietly firm conditions persisted in leading Foods. Cadbury Schweppes improved another couple of pence to 99p, while Unigate, 96p, and United Biscuits, 120p, added 4 pence. Publicity given to a broker's recommendation prompted support for Tesco, which firmed 2 to 63p, while occasional demand lifted J. Salisbury 5 to 870p. Dull of late on the company's move to shake off S. and W. Berisford, its unwelcome 40 per cent shareholder, British Sugar rallied 5 to 420p, but fell 10p for a two-day fall of 7 to 123p on disappointment with the interim results. A volatile market in the wake of Rowntree Mackintosh's bid and Nabisco Brands' intimated offer for the company being referred to the Monopolies Commission, Hunter and Palmer became steadier yesterday, but finished 21 down on the week at 91.

Leading Hotels and Caterers were quietly firm. Grand Metropolitan improved 4 to 204p and Trusthouse Forte 3 to 119p.

rise on the week of 13 to 161p. United, due to reveal preliminary results next Thursday, closed 8 higher at 173p. Elsewhere, Mills and Alet International, which was a volatile market following the half-time figures and moved between extremes of 533p and 505p before settling 11 lower on balance at 517p. DRG, annual results due next Wednesday, eased 3 couple of pence to 71p.

Oil shares fresh strength from the Opec President's forecast of stable prices, but, in the absence of an announcement about cuts in output, quotations drifted back and closed below the best. British Petroleum touched 292p before settling a net 8 up at 299p, while Shell closed a like amount to the good at 382p, after 399p. Outside the leaders, demand ahead of next Tuesday's preliminary results lifted Lasso 13 to 167p and Mariner 25 to 90p. Elsewhere, Berkeley Exploration gained 8 to 343p. Tri Basin rose 5 to 65p following the quarterly report.

Still overshadowed by the dismal preliminary figures, Turner and Newall lost 3 for a relapse on the week of 26 to 70p. Unilever gained 10 to 625p, while Metal Box improved 4 to 176p as did Reckitt and Colman, to 289p; Reckitt's preliminary results are due towards the end of the month. Glaxo firmed 4 to 514p, after 516p. Elsewhere, European Ferries rose 3 to 824p on reports that the company's growing property development interests are poised to expand into Western Europe. Value advanced 4 to 56p in response to an investment recommendation and Equip hardened a couple of pence to 80p for a similar reason. Comment ahead of next Tuesday's results left Waterford Glass a penny dearer at 21p, while investment buying helped BET to improve 9 to 162p. BTR, 346p, and Diploma, 240p, added 6 and 7 respectively. By way of contrast, De La Rue shed 10 more making a week's fall of 50 to 69p, which reflects a broker's downgraded profits forecast.

Associated Leisner firmed 4 for a two-day gain of 15 to 104p on the acquisition of Smiths Happlay Spencers for around £1m. Further demand in a thin market resulted in Pleasurama advancing 20 to 465p.

Motor and Iron advanced 6 to 70p on the acquisition of Smiths Happlay Spencers for around £1m. Further demand in a thin market resulted in Pleasurama advancing 20 to 465p.

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LEADERS AND LAGGARDS

Table showing percentage changes since December 31, 1981, based on Thursday, March 18, 1982. Categories include Tobacco, Other Consumer, Contracting, Health and Household Products, etc.

RECENT ISSUES

Table listing recent issues with columns for issue price, date, and stock details.

FIXED INTEREST STOCKS

Table listing fixed interest stocks with columns for issue price, date, and stock details.

"RIGHTS" OFFERS

Table listing rights offers with columns for issue price, date, and stock details.

OPTIONS

Table listing options with columns for issue price, date, and stock details.

FINANCIAL TIMES STOCK INDICES

Table showing various stock indices and their values over time.

Table showing Highs and Lows and S.E. Activity for various stocks.

Table showing New Highs and Lows for 1981/2, categorized by industry.

Table showing Rises and Falls for various stocks.

Table showing Active Stocks with closing prices and changes.

Table showing Thursday's Active Stocks with closing prices and changes.

Table showing 5-Day Active Stocks with closing prices and changes.

LONDON TRADED OPTIONS

Table showing London traded options with columns for option type, price, and stock details.

INSURANCE BONDS

Table listing various insurance bonds including Abbey Life Assurance Co. Ltd., Allany Life Assurance Co. Ltd., Amey Life Assurance Ltd., Barclays Life Assur. Co. Ltd., Black Horse Life Ass. Co. Ltd., Canada Life Assurance Co., Canson Assurance Ltd., Chieflife Assurance Funds, City of Westminster Assurance, Commercial Union Group, Credit & Commerce Insurance, Crown Life, and others.

FT UNIT TRUST INFORMATION SERVICE

Main table listing FT Unit Trust Information Service details, including company names (e.g., Legal & General, Norwich Union, Phoenix Assurance), fund names, and performance metrics.

OFFSHORE & OVERSEAS FUNDS

Table listing offshore and overseas funds including A.S. Bond Investments AG, Bank of America International S.A., B.L.A. Bond Investments AG, and others.

Vertical text on the right margin, possibly a page number or index reference.

Financial Times Saturday March 20 1982

INDUSTRIALS—Continued

Table of industrial stocks including Johnson & Johnson, Johnson Controls, Johnson Wax, etc.

LEISURE—Continued

Table of leisure stocks including British Airways, British Telecom, etc.

PROPERTY—Continued

Table of property stocks including British Land, etc.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including British American, etc.

OIL AND GAS—Continued

Table of oil and gas stocks including Anglo-Dutch, etc.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including British Leyland, etc.

SHIPPING

Table of shipping stocks including British Overseas Airways, etc.

COMPONENTS

Table of component stocks including British Aerospace, etc.

GARAGES AND DISTRIBUTORS

Table of garage and distributor stocks including British Motor, etc.

SOUTH AFRICANS

Table of South African stocks including Anglo American, etc.

TEXTILES

Table of textile stocks including British Textiles, etc.

OVERSEAS TRADERS

Table of overseas trader stocks including British Overseas Airways, etc.

RUBBERS AND SISALS

Table of rubber and sisal stocks including British Overseas Airways, etc.

TEAS

Table of tea stocks including British Overseas Airways, etc.

PAPER, PRINTING ADVERTISING

Table of paper, printing and advertising stocks including British Overseas Airways, etc.

TOBACCO

Table of tobacco stocks including British Overseas Airways, etc.

TRUSTS, FINANCE, LAND

Table of trusts, finance and land stocks including British Overseas Airways, etc.

PROPERTY

Table of property stocks including British Overseas Airways, etc.

INSURANCE

Table of insurance stocks including British Overseas Airways, etc.

LEISURE

Table of leisure stocks including British Overseas Airways, etc.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks including British Overseas Airways, etc.



MINES—Continued

Table of mine stocks including Anglo American, Anglo-Dutch, etc.

NOTES

Notes section containing various financial notices and announcements.

REGIONAL MARKETS

Regional markets section listing stock prices for various regions.

OPTIONS

Options section listing call rates for various stocks.

MAN IN THE NEWS From tea boy to the top

BY ANDREW TAYLOR

H. W. A. (BILL) FRANCIS started work in 1943 as a 16 year old tea-boy on a Clyde-side construction site...



Mr H. W. A. 'Bill' Francis

the time it was suggested that he was carrying the can for Tarmac's heavy losses in Nigeria following its acquisition of Holland Hannen and Cubitts in 1976.

OIL PRODUCERS MOVE TO PROTECT PRICE

Opec drops output ceiling

BY RICHARD JOHNS IN VIENNA

THE Organisation of Petroleum Exporting Countries last night agreed to cut its oil production ceiling by 2m barrels a day to 18m b/d to maintain the benchmark price of crude at \$34 a barrel.

by the British National Oil Corporation (BNOC) for North Sea crude.

agreement on the daily production rate required to support the creaking Opec price structure.

Speculation continued among delegates about how firmly Saudi Arabia was committed to maintaining the \$34 reference price.

Bad-debt provisions hit Midland Bank results

BY WILLIAM HALL, BANKING CORRESPONDENT

MIDLAND BANK, last of the Big Four banks to report its 1981 results, announced unchanged pre-tax profits of £202.2m yesterday which contrasted with increases ranging from \$ to 33 per cent from the rest of the big banks.

Table: THE BIG FOUR BANK PROFITS - 1981. Columns: Bank, Pre-tax Profit, Growth %.

and the international banking division hit the bank.

bank's record of support for industry, but "if a company needs equity it is not a clearing bank's job to put it in."

Pressures 'easing' on European currencies

By Our Foreign and Financial Staff

THE U.S. dollar continued to move higher on the world's foreign exchange markets yesterday but there were signs that the speculative pressure which had been building up on some of the weaker European currencies, in particular the French franc, was starting to ease.

Fleming in unit trusts move

BY TIM DICKSON

PROPOSALS to turn three investment trust companies, worth £130m, into unit trusts were announced yesterday by the investment arm of Robert Fleming, the major UK merchant bank.

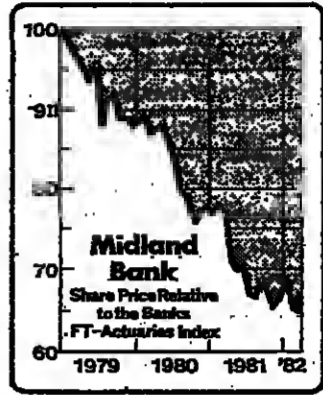
been faced with the problem of the discount—the price of the trust's own shares being lower than the underlying assets it represents.

The new scheme involves the utilisation of London and Montrose, London and Provincial and the United States and Venice Corporations.

THE LEX COLUMN

Midland waits for Crocker lift

Index rose 5.9 to 562.7



Midland Bank has narrowly avoided the feared drop in 1981 profits by showing a fractional increase to £232.2m at the pre-tax level.

This discrepancy has been fully reflected in Midland's share price. Even after yesterday's 12p rise to 348p and an increase of 11.6 per cent in the total dividend, the yield was just in double figures.

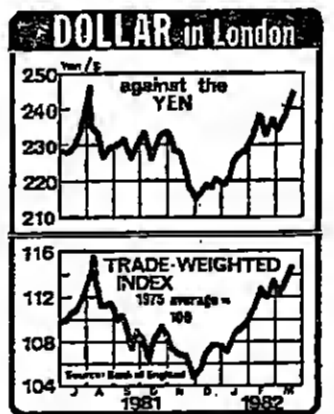
Their most impressive feature is the containment of UK staff costs, which have risen 11.3 per cent. Sterling advances have grown by 8 per cent and UK trading profits are roughly back to the peak level of 1979.

swamped by the adoption of new accounting policies in the film business—where the numbers have always moved at several frames per second.

This may be a laudably conservative piece of accounting, but it comes oddly from a company that is the object of a brace of takeover bids, and might have been expected to dress itself up in its best clothes.

How long Midland can finance overseas growth without recourse to its shareholders is a very moot point. The balance sheet is in reasonable shape at the end of last year, showing a free capital ratio of 3.5 per cent, but even so, a rights issue must be on the cards if the shares start — at long last — to outperform the banking sector.

ACC The goings-on at ACC have lost the power to astonish, and yesterday the share price barely flickered on the publication of forecast losses of £30.5m pre-tax in the year ending a fortnight from now. The figures are



having touched Ffr 2.6175. The dollar rose to Ffr 6.2295 compared with Ffr 6.185 on Thursday but in late dealings in London fell back to Ffr 6.1975.

The pound eased back from D-Mark 4.30 to D-Mark 4.2950 and fell from Ffr 11.22—its highest level for many months—to Ffr 11.16 against the French currency.

In Belgium the Belgian franc remained under heavy pressure yesterday in spite of continued support believed to have come from the Banque Nationale de Belgique more than Bfr 9bn.

Eurodollar interest rates were slightly firmer yesterday with the three month rate rising 1/4 to 15 3/4 per cent.

In London, equities and gilt-edged prices moved higher with interest focused on the new 2 per cent Treasury 1988 index-linked stock which was allotted at £87.50 yesterday. The price gives an effective yield of 2 1/2 per cent and is roughly in line with comparable yields on other index-linked stocks in the market.

Continued from Page 1

Edwards fears being 'a handicap' to BL

Sir Michael also confirmed that job losses should cease at the end of this year. The only jobs to go in 1982 should be those already announced, including 5,000 to 6,000 in the cars division and 3,000 (out of the 4,100 indicated last November) from the bus and truck operations.

Group sales last year fell from £2,570m to £2,569m. Direct exports, included in the total, were held at £884m last year against £880m.

Extraordinary items in 1981 cost £182m—including £98m for redundancy payments—compared with £139m in 1980.

BL has included in the 1981 figures the cost of closures announced last year which will take place in 1982. So it will start this year with a clean slate and extraordinary costs will be very sharply down from now on.

The net loss was reached after charging depreciation of £134m (£107.5m in 1980).

Vehicle production fell to 517,000 units (548,000) and vehicle sales dropped to 325,000 (£87,000).

The cars operations (including Unipart) showed a trading loss of £185m last year compared with £233m in 1980 while the Leyland Group (trucks and buses) saw its loss jump from £30m to £74m at the trading level.

Cash flow was better than planned due to a combination of stringent cost controls, improved stock control and a reduction in the cost of capital expenditure.

Disposals raised £53m against the targeted £40m and "this involved a great deal of effort to ensure that optimum prices were achieved."

Jenkin points up spending

BY MARGARET VAN HATTEM, POLITICAL STAFF

MR PATRICK JENKIN, the Industry Secretary, stressed the increases in this year's spending programme yesterday when he spoke of increased expenditure in nationalised industries and government construction.

Speaking at a Conservative Party meeting in St. Andrews, Mr Jenkin said capital investment by the nationalised industries was forecast at £7.6bn in 1982-83, a 23 per cent real increase.

£1.8bn for electricity and nearly £1bn each for British Gas and the National Coal Board.

THE BUDGET Four attractive ideas from Fidelity. The Budget produced some revolutionary proposals for savings and investments. Index-linked Gilts and the prospect of further falls in interest rates will, in our opinion, exaggerate the movement away from Building Societies and Bank deposits to the Gilt market generally.

Weather UK TODAY and WORLDWIDE. Includes forecasts for various regions and countries.

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